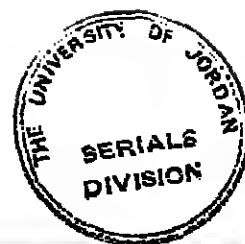


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East wind won't sweep Gulf

Situation differs and democracy practised: Sheikh Khalifa

Arab Times exclusive

By Ahmed Al Jarallah
Editor-in-Chief, Arab Times

BAHRAIN'S Prime Minister Sheikh Khalifa Bin Salman has said that the winds of change that swept across Europe cannot be applied to the Gulf because of the relative prosperity of the region.

He said the fall of the communist regimes was mainly due to economic deprivation, which he described as the last straw leading to their downfall. Due to suppression and coercive measures, the people rebelled and sought new ideologies. This situation does not apply in the Gulf, he said, because of the existence of democracy and freedom of opinion.

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He said: "The region's ideology — democracy and freedom of speech — is efficient enough (to withstand pressure of) foreign ideologies propagated by some opportunists." He claimed the "superpowers" agreed to create a new Yalta in Eastern Europe. The situation in the Arab world, he said, differed vastly from that of East bloc countries.

"Regional countries are wealthy nations; the regimes here practice social justice. What our people want is a fair distribution of wealth, and that is what is happening. Our wealth enables us to achieve social justice," he said.

"Our democracy and freedom of speech is not something forced by the constitution but it is practical — practised in everyday life," he stressed.

He cited the example of Kuwait. "When HH the Amir of Kuwait opens his doors for his people and moves amongst them, without guards, he becomes one with the people. He listens to their complaints in his drawing room, thus, shows the highest degree of democracy — of a special type — demolishing all barriers between the government and the governed."

"When the Kuwaiti people discuss their problems in diwaniyas they are practising natural democracy," he said.

Similar practices existed in Bahrain and other brotherly Gulf states like Saudi Arabia, he added.

"We are not suffering from any economic crisis, our regimes do not (use) coercive measures," he said.

He said people's call for the return of parliamentary life in Kuwait was dealt with "reasonably by the Kuwaiti government, which listened to the wishes of the people and opened a direct dialogue with them; and the situation became clear."

Commenting on the economic conditions during the 1990s, he admitted a decline in oil prices had adversely affected revenue but he said conditions have improved since 1988. He expected oil revenue to rise further, particularly due to the cessation of hostility in the region. He also expects new markets for Gulf oil to open in Eastern Europe.

He believes that the lifting of trade barriers by the European Economic Community in 1992 would bring about prosperity in the Gulf region.

"Industry (in the Gulf) would flourish because the cost of industrialisation would be comparatively lower than in Western Europe," he said.

He said Bahrain now allows Gulf citizens to enter the country without visas and had eased visa services for expatriate residents in the Gulf countries.

"Any person holding a valid residence in any Gulf country can now visit Bahrain; visas would be issued immediately on application," he said.

He said Saudi residents can obtain entry visas at the Bahraini-Saudi border on the causeway; others can get it at the airport or can have visas endorsed within a day from a Bahraini embassy, he added.

He said tourism has developed in Bahrain.

He urged GCC leaders to hold summit meetings every six months because "problems can't be resolved unless they are tackled at the root."

He said GCC countries must tackle problems without any prejudice "without saying that the time is not suitable to discuss certain matters."

In an exclusive interview, he said: "Some people believed that the events of Eastern Europe (could) be applied in the Gulf and Arab peninsula. I (want to) tell them our conditions differ, because the quality of life differs." Sheikh Khalifa said the changes in Eastern Europe were discussed briefly at the GCC summit, recently held in Oman.

Kuwaiti tanker on fire

MANAMA, Feb 23, (AP) — A flotilla of salvage tugs worked today to prevent a flareup of fires that could touch off another fire aboard a US-flagged Kuwait tanker crippled by fire a day earlier.

US navy warships warned other vessels to keep at least four miles away from the fire-ravaged Surf City in busy sealanes of the southern Gulf, 20 miles (32 km) off the coast of the United Arab Emirates.

US military officials identified the two persons killed in yesterday's fire as the ship's master, Derrick F. Linardich, 38, of Norfolk, Virginia, and the first mate, Steven P. McHugh, 34, of East Bridgewater, Massachusetts.

The other 23 crew members, all Americans with one possible exception, scrambled to lifeboats as flames roared half the length of the 700-foot (213-metre) ship toward the stern. The crewmen, including four with minor injuries, were rescued by the American missile frigate USS Simpson, on patrol nearby.

One survivor, Wayne Cohen, 27, of Boston said the captain and first mate were in the location where work was being done on a cargo tank when "the whole ship caught fire."

The 81,283-ton tanker, one of five Kuwaiti tankers still sailing under protection of the Stars and Stripes 19 months after the end of the Iraq-Iran war, was bound for Italy with a cargo of naphtha and diesel fuel.

C. Miles Sheldon, head of Chesapeake Shipping Inc., the subsidiary set up by the Kuwait Oil Tanker Co. to operate the US-flagged ships, told a Dubai news conference that the bodies of the captain and first mate were recovered and would be sent home from Dubai.

He said that although the fires had been contained and the tanker was no longer in immediate danger of sinking, its condition remained unpredictable.

Sheldon said the ship and cargo together were worth more than \$30 million but "we do not feel it's a total loss." In Kuwait, Abdul-Fattah Al Bader, chairman of KOTC, said the fire most likely had been caused by a short circuit. He agreed with US military officials who earlier discounted the possibility of Iranian sabotage or a drifting mine.

Arafat okays terms

OCCUPIED JERUSALEM, Feb 23, (AP) — PLO chairman Yasser Arafat said in a letter released today that he has approved the participation of Palestinians from the occupied West Bank and Gaza Strip in peace talks with Israel.

It was the first formal statement by the PLO leader that he has approved terms for Israeli-Palestinian talks.

Arafat said in the letter that the PLO would prefer an international peace conference and "guarantees that can only be provided by the great powers and the United Nations."

But he added: "The PLO once more leaned over backward and approved the idea of a dialogue between representatives of the Israeli government and representatives of the Palestinian people in the occupied territories."

Enrile regrets

Mistake named Cory

MANILA, Feb 23, (AP) — Opposition Sen. Juan Ponce Enrile today said the Philippines is worse off under Corason Aquino and apologized for helping install her as President in the 1986 "people power" revolt.

"I'm sorry," Enrile said during a call-in programme on radio station DZRH. "I apologise to our people for that event, for what happened, because we discovered that the people in power now have different goals. I am asking your apology because we all made a mistake."

Enrile, President Marcos' defence minister, led a handful of reformist military officers who mulcted against Marcos following the fraud-nearred Feb 7, 1986 presidential election decided against Aquino.

Several hundred rebel soldiers then holed up at two military camps. They were joined by hundreds of thousands of civilians who shielded them against tanks sent to crush the mutiny.

The Feb 22-23, 1986, uprising forced Marcos to flee to exile in Hawaii, where he died last September. Enrile was sacked by Aquino in November 1986 after an aborted coup attempt by military officers close to him.

During the interview, Enrile said the Marcos administration gave more benefits to the people and that Aquino's record of corruption was worse than that of Marcos.

The government is preparing for Sunday's festivities to mark the uprising. But Enrile said there was no reason to celebrate.

"What is there to celebrate?" Enrile asked. "Our people are having a hard time. We do not see any fruits of that effort. The vision and the dream and the direction we wanted the nation to take was lost."

"The darkness and the shortcomings and the weaknesses of the government in the past are still present in the current administration," he said.

Enrile expressed the same views of the underground revolutionary alliance for the masses-soldiers of the Filipino people, which spearheaded the Dec. 1-7, 1989, coup attempt, the sixth and most serious bid to topple Aquino.

Khamenei ability questioned

NICOSIA, Feb 23, (Reuters) — A senior Iranian cleric said today subversives in the country's theological schools were trying to undermine spiritual leader Ayatollah Ali Khamenei.

In an address to Friday prayers in Tehran, Ayatollah Ahmad Azari Qomi spoke of lingering questions in religious circles about Khamenei's credentials for the position of supreme leader.

He urged support for Khamenei and President Ali Akbar Hashemi Rafsanjani and said much of the current anti-government criticism centred in Islamic terms was politically loaded.

Political analysts said Azari Qomi's blunt speech in the capital, broadcast live by Tehran Radio, indicated the rifts were too deep to contain within clerical circles.

Confidence in economy growing

SHEIKH Salem Abdul Aziz Al Sabah has said confidence in the Kuwait economy is strong and it is increasing as a result of the joint economic report, recommendations, which emphasised the government's intention to reactivate the economic situation. In addition, the Kuwait economy has in the past three years, achieved good growth rates in some sectors, while other sectors have improved. Sheikh Salem said despite this, we aspire to achieve better growth rates. (See Page 14)

Duarte, 64, is dead

SAN SALVADOR, Feb 23, (AP) — Jose Napoleon Duarte, who became El Salvador's first democratically elected President in 50 years but was unable to end a 10-year civil war, died today, his doctor said. He was 64.

"Duarte died of respiratory failure at 11:50 am (1750 GMT)," said his personal physician, Jose Luis Saca.

He had battled cancer in his stomach and liver for 21 months.

In May 1988, doctors at Walter Reed Army Medical Centre in Washington diagnosed the cancer. They removed 60 per cent of Duarte's stomach and said the cancer had spread to his liver.

Doctors gave him six to 18 months to live, but he outlasted the predictions.

He was reported near death at least two times previously. His condition worsened this week, and doctors had said death was imminent.

Islamic world marks Miraj

THE Islamic world Thursday night celebrated the Prophet Muhammad's (PBUH) nocturnal journey from Makkah to Jerusalem and his ascension to the heavens from there.

The Ministry of Awqaf and Islamic Affairs held an official, religious ceremony following the Isha (night) prayers at the state Grand Mosque attended by Ministry Undersecretary Mohammed Nasser Al Hamdan and a number of Muslim clergymen.

Weather

FAIR weather with light to moderate northwesterly wind. State of sea: Slight to moderate High water: 11:00 am. Low water: 6:00 am, 6:00 pm. Sunrise: 6:20 am. Sunset: 5:43 pm.

Maximum temperatures recorded: Kuwait: 21°C 70°F. Amman: 18°C 64°F. Faiyaka: 20°C 68°F. Minimum temperatures recorded: Kuwait: 9°C 48°F. Amman: 12°C 54°F. Faiyaka: 12°C 54°F.

Maximum temperatures expected: Kuwait: 21°C 70°F. Amman: 18°C 64°F. Faiyaka: 20°C 68°F. Maximum humidity recorded: Kuwait: 57 per cent. Amman: 50 per cent. Faiyaka: 48 per cent.

Muslims seek independence

Biggest ever demo in Kashmir

SRINAGAR, Feb 23, (Agencies) — Nearly 400,000 Kashmiri Muslims demanding independence from India today held the biggest demonstration the Kashmir valley has ever seen, police and residents said.

Nearly half the 800,000 population of Srinagar, summer capital of Jammu and Kashmir state, gathered near the office of the United Nations military Observer Group to hand in petitions demanding independence for Kashmir, police estimated.

Many protesters wore white funeral shrouds to demonstrate their willingness to die for their cause. Security forces declined to intervene.

At one point, demonstrators hurled a barrage of rocks at the car of Maulvi Farooq, the city's chief Muslim cleric, after the driver refused to stop.

The driver reversed at high speed, causing the vehicle to overturn. The cleric, however, was unhurt and was rescued by security personnel, police said.

In another incident, one of two bombs believed set by a state-run bus in a downtown area of Srinagar, police said.

The second bombing, part of an ongoing sabotage campaign by the separatists aimed at government property, damaged the interior of a state bank, but caused no injuries, police said.

Demonstrators waved Pakistani flags and the flags of the numerous militant groups orchestrating the pro-independence movement. A few demonstrators on route to the UN office hoisted flags on government buildings.

A Pakistani flag was flown from the clock tower in Lal Chowk, the city's main commercial area.

Police and security forces made no attempt to stop the protesters because of government orders not to interfere unless life was threatened, officials said.

Demonstrations are officially banned in Kashmir but supporters of militant organisations have routinely taken to the streets during the daily 13-hour relaxation of curfew.

Some of today's protesters, who included veiled women and young children, burned the Indian national flag outside the UN office.

At least 150 people have been killed in Kashmir since the middle of last month when the militant Jammu and Kashmir Liberation Front intensified its campaign for freedom.

An official spokesman in New Delhi said India had rejected Pakistan's offer to hold a dialogue with India on Kashmir.

Iraqi linked to Saudi killings

MANILA, Feb 23, (AP) — Authorities have arrested an Iraqi who allegedly is a member of a fake passport ring that may have provided travel documents to gunmen who killed three Saudi diplomats in Bangkok this month, an immigration spokeswoman said today.

Sarah Andes, spokeswoman of the commission on immigration and deportation, said immigration officers arrested Mustafa Mohammad at a restaurant he owns in Manila's Ermita district.

Two other Iraqis, identified as Alameiri Abbas and Riad Munshad Fanoush, Mohammad's business partners, were not there at the time of the raid and are believed to be in hiding, she said.

Ms Andes said the immigration officer ordered their arrest on the recommendation of the Department of Foreign Affairs following intelligence reports linking them to the Feb 1 killing of three Saudi Arabian diplomats in Bangkok.

A Manila newspaper, quoting immigration office sources, said Mohammad, 27, formerly from Baghdad, and Fanoush may have been directly involved in the Bangkok killings.

Mohammad denied links with the group or with the murders.

ACC leaders arrive in Amman

AMMAN, Feb 23, (AP) — Leaders of the four Arab Co-operation Council states gathered in Jordan today to coordinate political efforts, despite the collapse of proposals for a joint Iraq-Jordanian-Syrian front against Israel.

President Saddam Hussein of Iraq, Hosni Mubarak of Egypt and Ali Abdullah Saleh of North Yemen flew into Queen Alia international airport south of Amman in the afternoon and were met by King Hussein.

The arrival ceremonies for each leader were shown by state-run Jordan television.

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10. *Journal of the American Medical Association*, 277, 1996, 1033-1038.

Wins 4: 'Wake me up when this is over'

Raitt from obscurity to Grammy awards

LOS ANGELES, Feb 23, (AP): Rock survivor Bonnie Raitt, who has toiled in the vineyards of obscurity since the 1960s, won four Grammy awards Wednesday including Album of the Year, for her critically acclaimed "Nick of Time" album.

"I can only take so much of this," said Raitt, accepting her fourth award, female pop vocalist. "Wake me up when this is over."

"Wind Beneath My Wings," a ballad performed by two-time Grammy winner Bette Midler and written by Larry Henley and Jeff

Silbar, won record of the year and song of the year.

"This record's my first No. 1," Midler said to the audience at the 32nd annual Grammy awards show. "I had to wait 17 years for it. I hope I don't have to wait another 17."

Raitt also won female rock vocalist and shared the traditional blues award with John Lee Hooker for "I'm in the Mood" on Hooker's "The Healer" album.



Raitt shows off her four Grammys. (Reuter wirephoto)

All the Grammy winners

LOS ANGELES, Feb 23, (AP): Here is a list of winners at Wednesday's 32nd annual Grammy Awards:

1. Record of the Year: "Wind Beneath My Wings," Bette Midler.
2. Album of the Year: "Nick of Time," Bonnie Raitt.
3. Song of the Year: "Wind Beneath My Wings," Larry Henley and Jeff Silbar, songwriters.
4. New artist: Milli Vanilli.
5. Pop vocal, female: "Nick of Time," Bonnie Raitt.
6. Pop vocal, male: "How Am I Supposed to Live Without You," Michael Bolton.
7. Pop vocal, duo or group: "Don't Know Much," Linda Ronstadt and Aaron Neville.
8. Pop instrumental: "Healing Hands," Neville Brothers.
9. Rock vocal, female: "Nick of Time," Bonnie Raitt.
10. Rock vocal, male: "The End of the Innocence," Don Henley.
11. Rock vocal, duo or group: "Traveling Wilburys Volume One," Traveling Wilburys.
12. Rock instrumental: "Jeff Beck's Guitar Shop with Terry Bozzio and Tony Hymas."
13. Hard rock vocal or instrumental: "Cult of Personality," Living Colour.
14. Metal vocal or instrumental: "One," Metallica.
15. Rhythm and Blues vocal, female: "Giving You the Best That I Got," Anita Baker.
16. Rhythm and Blues vocal, male: "Every Little Step," Bobby Brown.
17. Rhythm and Blues, duo or group: Soul II Soul.
18. Rhythm and Blues instrumental: "African Dance," (track for Keep on Movin'), Soul II Soul.
19. Rhythm and Blues song: "If You Don't Know Me by Now," Simply Red.
20. Rap: "Busta Move," Young MC.
21. New Age: "Passion—Music for the Last Temptation of Christ," Peter Gabriel.
22. Jazz fusion: "Letter from Home," Pat Metheny group.
23. Jazz vocal, female: "Blues on Broadway," Ruth Brown.
24. Jazz vocal, male: "When Harry Met Sally," Harry Connick Jr.
25. Jazz vocal performance, duo or group: "Makin' Whoopee," Dr. John and Rickie Lee Jones.
26. Jazz instrumental, soloist: "Aura," Miles Davis.
27. Jazz instrumental, band: "Chick Corea, Akoustic Band," Chick Corea, Akoustic Band.
28. Jazz instrumental, big band: "Aura," Miles Davis.
29. Country vocal, female: "Absolute Torch and Twang," K.D. Lang.
30. Country vocal, male: "Lyle Lovett and His Large Band," Lyle Lovett.
31. Country vocal, duo or group: "Will the Circle Be Unbroken Volume 2," The Nitty Gritty Dirt

Stunning comeback 'Nick of Time'

LOS ANGELES, Feb 23, (AP): Bonnie Raitt, a whiskey-voiced redhead eluded by fame in a tough, 20-year career, soared to a stunning comeback Wednesday night with four top Grammy awards.

Her "Nick of Time" record was named Album of the Year and won her top female pop and rock vocalist honors. She also shared the traditional Blues Grammy with John Lee Hooker for the "I'm in the Mood" track on Hooker's "The Healer" LP.

The 1960s were difficult years for Raitt, 40, who switched record labels several times and released several albums that failed to gain traction.

Her previous album, "Nick of Time," was ignored by critics and her record label, which refused to release it on compact disc.

The daughter of Broadway musical star John Raitt ("Carousel," "Oklahoma") and his wife and pianist, Marjorie Haydock, Raitt taught herself how to play guitar at the age of 9.

Her early influences included bluesman Junior Wells, who played on her first album, "Bonnie Raitt," in 1971. "Nick of Time" is her ninth album.

One of her best known singles was her 1977 cover of the late Del Shannon's "Runaway." In the interim, her work was uneven as she fought drug and alcohol abuse.

Three years ago, she began psychotherapy and a year later she joined Alcoholics Anonymous.

On her recent concert tour, which played to packed houses across the nation, she told audiences that vanity led to her rebirth as an artist.

"I was going to make an album with Prince," she said in 1988.

"It's one thing to go on stage if you're a little chunky, it's another to make a video with a guy who's known for looking sexy," she said. "I decided to lose weight, which you can't do if you're drinking all the time."

Band.

32. Country vocal, collaboration: "There's A Tear in My Beer," Hank Williams, Jr. and Hank Williams, Sr.

33. Country instrumental: "Amazing Grace," Randy Scruggs.

34. Blues recording: "The Valley Road," Bruce Hornsby and the Nitty Gritty Dirt Band.

35. Country song: "After All This Time," Rodney Crowell.

36. Gospel, female: "Don't Cry," Cece Winans.

37. Gospel, male: "Meantime," Bebe Winans.

38. Gospel, duo, group, choir or chorus: "The Saviour is Waiting," Take 6.

39. Soul gospel, female or male: "As Long As We're Together," Al Green.

40. Soul gospel vocal, duo, group, choir or chorus: "Let Brotherly Love Continue," Daniel Winans and Choir.

41. Latin pop: "Cielito Lindo," Jose Feliciano.

42. Tropical Latin: "Ritmo En El Corazon," Celia Cruz and Ray Barreto.

43. Mexican-American: "La Pista," Y El Corazon, Los Lobos.

44. Traditional blues: "I'm in the Mood," John Lee Hooker and Bonnie Raitt.

45. Contemporary blues: "In Step," Stevie Ray Vaughan and Double Trouble.

46. Traditional folk: "Le Mystere des Voix Bulgares, Volume II," Bulgarian State Female Vocal Choir.

47. Contemporary folk: "Indigo Girls," Indigo Girls.

48. Folk: "All in My Love for You," Jimmy Sturr and his orchestra.

49. Reggae: "One Bright Day," Ziggy Marley.

50. Recording for children: "The Rock-a-Bye Collection, Volume 1," Tanya Goodman.

51. Comedy recording: "PDQ Bach: 1712 Overture and Other Musical Assaults," Professor Peter Schickele.

52. Spoken word or nonmusical: "The Greater Hoopie are off season philanthropic."

53. Musical cast show album: "Jerome Robbins' Broadway."

54. Instrumental composition: "The Batman Theme."

55. Original instrumental background score written for a motion picture or television: "The Fabulous Baker Boys."

56. Song written for a motion picture or television: "Let the River Run," from the movie "Working Girl," Carly Simon.

57. Music video, short form: "Leave Me Alone," Michael Jackson.

58. Music video, long form: "Rhythm Nation," Janet Jackson.

59. Arrangement on an instrumental: "Suite from 'The Milagro Beanfield War,'" Dave Grusin.

60. Instrumental arrangement, accompanying vocal: "My Funny Valentine," from "The Fabulous Baker Boys," Dave Grusin.



Bette Midler (Reuter wirephoto)



Milli Vanilli pose with their awards. (Reuter wirephoto)



Michael Bolton

PEOPLE AND PLACES

LONDON: British pop star Elton John put a swimsuit of Marilyn Monroe up for auction on Wednesday to help raise cash for Vietnamese refugees.

Monroe, who committed suicide in 1962, wore the black swimsuit with plastic sequins in the 1954 film "There's No Business Like Showbusiness". John, a collector of memorabilia, has owned it for some years.

American model Jerry Hall, appearing in the stage version of the film "Big Top" in the role immortalised by Monroe, will be auctioneer when the swimsuit and other souvenirs donated by celebrities go under the hammer on March 1. (Reuter)

ALBUQUERQUE, New Mexico: An oblong object that officials last year proclaimed to be a fossilised egg up to 16 million years old has turned out to be a stomach stone from a modern mammal, possibly a coati.

"Mother nature fooled us," said Mike O'Neill, a US Bureau of Land Management Fossil expert. O'Neill said he concluded after two months of study that the surface of the egg-shaped object was made up of calcium phosphate rather than the calcium carbonate it should have contained had it been an ancient fossil.

Denver paleontologist Karl Hirsch, when consulted, suggested the object might be a stomach stone. O'Neill said. (AP)

LONDON: A rare Swiss wristwatch made by the Patek Philippe company in 1935 sold Thursday for \$326,700 to a Far Eastern buyer bidding on the telephone. Sotheby's said.

The watch, which shows the phases of the moon, the day and the date, was one of three produced in platinum and cost the purchaser 1,135 Swiss francs in Paris in the year it was made. The pre-sale estimate was 256,500 to \$342,000. Fine clockwork watches are a current international collecting passion now that quartz models are so widely marketed and the Japanese are leading buyers at auction. (AP)

LONDON: French conservationists have found that an albatross — the world's largest flying sea bird — can travel seven times further than scientists used to believe and at speeds of up to 50 mph (85 kph), a study shows.

The conservationists used a satellite to track six wandering albatrosses and found they covered 10,000 miles (15,500 km) in 33 days.

They were able to navigate at speeds of up to 50 mph in complete darkness, resting for only short periods at night.



Marilyn Monroe lookalike Jacqueline Burdett models the film star's swimsuit in London on Feb 22. (Reuter wirephoto)

The study, by Pierre Jouventin and Henri Weimerskirch of the Centre d'Etudes Biologiques des Oiseaux Sauvages in Beauvoir, was published on Thursday in Nature magazine. (Reuter)

PHILADELPHIA: Rocky Balboa the fictional Philadelphia-based boxing hero of the popular "Rocky" films, is sparking a real-life spat in his hometown over the site of a permanent home for a \$53,000, nine-foot (three metre) bronze statue of him.

The statue of Rocky, dressed in boxing shorts, was given to the city in 1982 by actor Sylvester Stallone, who commissioned it for use in "Rocky III".

Philadelphia-bred Stallone is the creator and star of the Rocky series, which chronicles Rocky's unlikely ascent from the streets of Philadelphia to the heavyweight championship.

The actor, in town filming "Rocky V", this week hired a local lawyer to secure a permanent home for the statue in front of the Philadelphia museum of art.

But art museum officials consider the statue a movie prop unsuitable for the museum plaza that commands the most dramatic view of the city. Museum spokeswoman Barbara Pfanner said it does not fit the vast scale of the art museum plaza.

NEW YORK: "Two to Make a Right" by the group Seduction topped the number one position Wednesday among best-selling single pop records in the United States. The disc was second a week ago.

Paula Abdul's "Opposites Attract" slipped from the top to second spot on the Cash Box Magazine chart.

Soaring into third place, up from 13th a week ago, was "Escapade" by Janet Jackson.

Last week's number three hit, Arrowsmith's "Jodie's Got a Gun", toppled completely out of the top 10 list.

The top 10 pop singles, as rated by cash box magazine, with last week's positions in brackets:

1. (2) Two to Make it Right — Seduction (Vendetta-A and M)
2. (1) Opposites Attract — Paula Abdul (Virgin)
3. (13) Escapade — Janet Jackson (A and M)
4. (5) Daogorous — Roxette (EMI)
5. (6) What Kind of Man Would I Be — Chicago (Reprise)
6. (11) All or Nothing — Milli Vanilli (Arista)
7. (9) Tell Me Why — Exposé (Arista)
8. (4) How Am I Supposed to Live Without You — Michael Bolton (Columbia)
9. (12) We Can't Go Wrong — Cover Girls (Capitol)
10. (14) Here We Are — Gloria Estefan (Epic)

The top 10 country-Western singles, as rated by Cash Box Magazine, with last week's positions in brackets:

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Trump flashes the victory sign. (Reuters wirephoto)

Ivana, ex-hubby are still friends

LONDON, Feb 23, (AP): Ivana Trump's Austrian-born first husband sells real estate in Australia and says he and his former wife are still friends, the Daily Mail reported today.

The British tabloid, in what it said was an exclusive story, reported it had found Alfred Winklmayr in the beach side Sydney suburb of Collaroy and printed what it said was the first picture of him.

The story by reporter Richard Shears in Sydney said Winklmayr migrated to Australia after what it called the marriage of convenience ended in the 1970s without being consummated.

It quoted Winklmayr as saying: "We are still friends. I've been trying to follow events but it's not easy to keep up with everything this far away. She certainly came a long way since I knew her."

"Ivana's been receiving a lot of criticism lately but I can tell you she's not the kind of person to take it without a fight."

On Wednesday, Mrs Trump's lawyer, Michael Kennedy, revealed at a news conference in New York that the wife of billionaire developer Donald Trump was married briefly in the early 1970s to Winklmayr, who was then a ski instructor. Mrs Trump is a former world-class skier.

Kennedy said she married Winklmayr in 1971 and described it as a "cold war marriage" that allowed her to travel under an Austrian passport out of communist Czechoslovakia, her homeland. Kennedy said they were divorced in 1973.

"They never slept together. They never lived together," Kennedy said. He said Winklmayr was 25 and Mrs Trump 22 when they married. Kennedy said this latest revelation since Trump announced he was leaving his wife of 12 years came in response to "inaccurate" reports in British tabloids.

A report yesterday in the London tabloid the Sun said Winklmayr was 60 when he wed Mrs Trump and described him as a rich industrialist. It said he died within two years of the marriage, leaving her enough money to finance "a new life in Canada," where she moved in 1972.

The Daily Mail said Winklmayr chuckled over his reported death and it quoted him as saying: "Unfortunately I am not a rich industrialist. The paper said that in fact trying to sell houses is one of the toughest jobs in Sydney at present and that many of his contemporaries face ruin because of crippling mortgage rates."

It said Winklmayr lives in a modest apartment in a middle class suburb.

Panait wife still in a fix

FORT LAUDERDALE, Florida, Feb 23, (UPI): Now that Nadia Comaneci has rejected marriage with the Romanian ruler who helped her defeat, his estranged wife is in a fix she wants him to return.

Constantin Panait, 36, left his wife and their four children in Hallandale, Florida, Nov 2 and was not heard from again until a month later, when he appeared on American national television with Comaneci.

Panait said he planned to stay with Comaneci and said the two might marry. But the Olympic gold medal gymnast said in Tokyo Tuesday that she had never loved Panait.

Comaneci, 28, said she planned to marry Romanian computer programmer Mihai Vasilescu, 30, whom she described as her "best friend," in about three months.

Reagan can't recall

Hazy on Iran-Contra details

WASHINGTON, Feb 24, (Agencies): The witness was affable. He took the oath, pledging to tell the truth, took the stand, winked at the defendant, stated his name, spelled it out. "Ronald R-o-o-g-e-a-n," and said he used to be in politics and before that in the movies and "prior to that I was a sports announcer in radio."

But in his command performance for the cameras of the court, former president Ronald Reagan had trouble remembering.

Dates. Pictures. Documents. Memos. Aides. Meetings. "I, to this day, do not recall ever hearing that there was a diversion. No one has proven to me that there was a diversion," the former president said in videotaped testimony released yesterday in the criminal case of former national security advisor John Poindexter.

Often answering "I don't recall" to questions, Reagan said Poindexter, a key aide, never discussed with him details of the arms sales to Iran.

Reagan also said he was unaware of a false chronology about Iran-Contra events and that he assumed his administration added by the law banning aid to the rebels, known as Contas.

Reagan is 79 years old now, and some of the events he

was questioned about during a videotaped deposition last week on the Iran-Contra affair took place years ago. He has always denied directing them.

"There were so many meetings and so many different places," he said on the witness stand.

"I know it is tough, Mr. President," said lawyer Richard Becker.

Asked if he had dispatched John Vessey to Central America, Reagan had trouble identifying Vessey, who served as chairman of the joint chiefs of staff from June 1982 to September 1985.

Counsel: "Could you explain to the members of the jury who General Vessey was?"

Reagan: "Oh, dear. I could ask for help here. The name I know is very familiar. I am wondering if..."

Counsel: "This is in connection with a trip by the joint chiefs of staff."

Reagan: "Well, that—I don't—I don't think this was my military aide, but obviously he was in a position to do this if he was the chief of staff."

During the questioning in his videotaped deposition last week Reagan was treated with deference.

"Mr. President," he was called.



Ortega holds his two and a half-year-old daughter Camilla, as she holds up five fingers corresponding to the party's number five position on ballot slips. (Reuters wirephoto)



Chamorro listens to Organisation of American States (OAS) Secretary-General Joao Baena. (Reuters wirephoto)

Respect vote, review ties

Ortega urges US

MANAGUA, Feb 23, (Reuters): President Daniel Ortega, branding Washington's Nicaragua policy a failure, urged the United States yesterday to respect a Sandinista election victory and establish normal relations with the new government.

Ortega, speaking at a news conference, ruled out the possibility that his ruling Sandinista National Liberation Front might lose Sunday's elections, the first open national poll in Nicaragua history.

US policy of supporting a guerrilla war against his leftist government had failed, Ortega said, and the elections provided a chance for an improvement in often-strained relations between the two countries.

"When the Sandinista Front triumphs, we expect that President Bush sticks to his word and normalises relations," Ortega said. "We hope there will be a new chapter in relations between the United States and Nicaragua."

The leftist Sandinistas are competing against an alliance of right and centre parties led by publisher Violeta Chamorro,

who enjoys the backing of the US administration.

Chamorro told reporters yesterday she was convinced her National Opposition Alliance (UNO) would score an "enormous victory."

Reiterating an often-stated policy, Ortega said the Sandinistas were prepared to discuss with the US government any questions that affected US security in Central America.

US Secretary of State James Baker told a congressional committee in Washington yesterday that the United States would not necessarily accept the elections as fair, even if neutral observers certified the poll.

Washington would only improve ties with Nicaragua after Managua refrained "from subverting their neighbors," Baker said—a reference to arms Nicaragua is alleged to have sent to left-wing rebels fighting the government of El Salvador.

On the alleged weapons deliveries, Ortega said Central American peace agreements he had signed with four other presidents banned weapons shipments between countries.

Cuba slams USA's action

UNITED NATIONS, Feb 23, (AP): Cuba is accusing the United States of using the anti-narcotics fight as an excuse to violate the rights of other nations and says a global anti-drug plan must respect the sovereignty of all countries.

Cuban Foreign Affairs Minister Isidoro Malmierca also told the UN special session on narcotics that Cuba supports the call for international efforts to halt the illicit drug trade. But the international offensive must focus on reducing consumption and offering economic aid to poor countries where illegal narcotics are produced, he said.

"We shall support resolutely the international co-operation to combat drug trafficking and related activities, but at the same time we shall be on the alert and oppose any action or mechanism which could be used to violate the borders of our nations, our sovereignty and territorial integrity," Malmierca said.

He described the US invasion of Panama in December and the US coast guard's firing on a Cuban-chaired freighter on Jan 31 as "two criminal acts under the same pretext: the so-called combat against drug trafficking."

"The United States does not have to deploy aircraft carriers or paratroopers in other countries in order to combat the cultivation and transport of that drug to the consumer centres," Malmierca said.

Earlier China's Deputy Foreign Minister, Gu Yingqi, said world efforts to fight drug trafficking must include safeguards to protect the sovereignty of all nations.

Gu said an country should "threaten other countries with force, even armed invasion, under the excuse of fighting drugs or carrying out international co-operation for drug control."

But he said heightened international efforts to halt the illegal drug trade led to recent violations of the rights of some countries.

"Such acts have naturally met with widespread condemnation in the international community, which will only do serious harm to the development of international co-operation against drugs," Gu said. He did not provide details of the incidents or single out any countries for criticism.

Britain and Pakistan, two nations facing mounting problems from the illegal drug trade, said that regional and global attacks on trafficking and consumption must be co-ordinated to end the narcotics plague.

British Foreign Secretary Douglas Hurd called the drug trade "a problem of nightmare proportions."

Pakistani representative Kalim Dil Khan said that despite increased efforts to eliminate illegal narcotics production in southeast and southwest Asia, drug abuse and crimes linked to the illicit trade increased there.

Khan, federal secretary of Pakistan's narcotics control ministry, told the session: "The loss of human lives resulting from drug trafficking and abuse is also increasing. That shows that something has gone wrong somewhere in our global strategy."

He said Pakistan "has undertaken to declare war against narcotics and is committed to taking effective measures to eradicate the drug menace, both in the country as well as at the regional level."

Hurd said the United Nations needs a single body to tackle all aspects of the drug problem.

A Soviet official said the drug problem is not serious in his country and the total number of drug patients treated in Soviet hospitals is about equal to that of New York City.

FAA asked to take tougher stand

Airlines favour infant seats

WASHINGTON, Feb 23, (AP): The airline industry changed its position on infant safety seats yesterday and asked the government to require them for all passengers under 2 years old.

The proposal, if adopted by the Federal Aviation Administration, could require thousands of parents each day to buy tickets for children who now fly free. Airlines, however, still would have the option of offering free rides or reducing fares.

The air transport association, representing major air carriers, prepared a petition asking

the FAA to take a tougher stand than the agency is considering. The airlines group previously encouraged infant seat use but opposed rules to require them.

FAA rules now allow infants to be held in the arms of adult passengers, but recent crashes in which unsecured infants were killed while some other passengers escaped have raised new concerns among passenger groups, flight attendants and members of Congress.

Most infant car seats are approved by the

FAA for airlines use. The FAA is considering a rule that would require airlines to accept safety seats on all flights. Airlines now have the option to refuse them.

The FAA has resisted calls for tougher rules, partly because of the cost to parents and the low number of infant casualties in airline accidents. Some officials have argued that raising costs so families would drive rather than fly with infants would subject them to greater risk than flying without an infant seat.



Kidnapped to protest drug meet

US businessman James Donnelly, flanked by members of the National Liberation Army (ELN), a Colombian leftist guerrilla group, is shown in this photo released by the ELN on Feb 22. He was

kidnapped to protest the US drug summit meeting with Latin American drug producers in Cartagena recently. (Reuters wirephoto)

Colombia tightens security

Armed guard for Americans

BOGOTA, Feb 23, (AP): US embassy employees travelled under armed guard and they and other US citizens were warned to stay in the capital in the wake of a guerrilla threat of "death to gringos."

Colombia's National Security Council went into emergency session after the National Liberation Army, or ELN, in a letter and two communiques, threatened to target US citizens in Colombia until "North America suspends its ways of intervening and of military aggression in Latin America."

The Spanish news agency EFE reported it received an ELN threat that singled out US ambassador Thomas McNamara.

Minister of government Carlos Lemos, emerging from the National Security Council session, told reporters government security forces would protect Americans and their property in Colombia.

US citizens apparently were taking their own precautions.

"Every American client I've got was on the tele-

phone this morning asking for more guards," said the owner of a security company that protects several big US companies in Colombia.

An executive with a US oil company said employees have been prohibited from travelling outside Bogota because of the guerrilla threat.

US embassy employees in Bogota were warned Wednesday to suspend unnecessary trips outside their homes and were being taken to and from work by armed guards, an embassy employee told the Associated Press.

The US State Department already had considered Colombia so dangerous that it limited posts to single people or married people willing to live without their families.

The diplomats get hazardous duty pay for working in Colombia. In the past the US embassy had said there were an estimated 20,000 US citizens in Colombia, but there are no firm figures.

Medical file

Study on heart attacks: Women who suffer heart attacks die more often than men once they reach the hospital, apparently because they tend to be older and weaker when stricken, doctors said in a study released on Thursday.

The finding was based on 1,122 male and female heart attack patients aged 30 to 74 who were treated at Yale-New Haven hospital from 1978 until 1982.

"A woman with acute myocardial infarction in our study was in fact more likely to be severely ill and to die soon after," said doctors at the Yale School of Medicine in an article in this week's journal of the American Medical Association.

A myocardial infarction is dead tissue caused by inadequate blood flow to the heart. (Reuters)

Existence without choice: A paralyzed man who went to court to win the right to die but decided to stay on his life-sustaining ventilator urged the state Senate Wednesday to revise an "archaic" method of caring for the severely disabled.

In his sombre speech, 34-year-old Larry McAfee described life with paralysis as "existence without choice" and said the disabled are "prisoners of bureaucracy that doesn't address the quality of our shattered lives."

"I will never, never get used to being totally paralysed and helpless," McAfee said. "But I have accepted it as my fate."

McAfee asked a superior court judge in Atlanta last year to grant him permission to unplug the ventilator that has helped him breathe since he was paralysed from the chin down in a 1985 motorcycle accident. (AP)

Returns to operating room: Doctors for 12-year-old Stormie Jones, the world's first recipient of a heart-liver transplant, spent more than nine hours trying to stop internal bleeding that began after her second liver transplant.

A team of surgeons on Wednesday reconstructed a connection they made between the donor liver's hepatic artery, one of the main arteries of the liver,



Medical care in GDR

Rita Submuth (right) president of the West German parliament is watching a premature baby in an incubator in East Berlin on Feb 22. Mrs Submuth is visiting the East Berlin hospital Friedrichshain in order to get informed about the situation of medical care in East-German hospitals. (Reuters wirephoto)

and Stormie's hepatic artery. Part of the connection had given way.

She had bleeding from one of her suture lines, the arterial suture line," said Dr Andreas Tzakis, the surgeon who headed the operation. "We fixed it by reconstructing the arterial blood supply to the liver."

Tzakis said he remained optimistic about Stormie's recovery.

"The liver looks good and we expect her to recover promptly," he said. (AP)

First fat substitute passed by FDA

NEW YORK, Feb 23, (AP): It's cold, wet, creamy and sweet on the tongue. It's thicker than top super-premium ice cream brands, and just a little bit harder to scrape with your spoon.

It doesn't taste exactly like Haagen-Dasz ice cream, but what do you expect for a product with half the calories and one-fifth the fat?

Nutrasweet Co., the maker of nutrasweet low-calorie sweetener, is hoping for a mouthful with Simple Pleasures, a superpremium ice cream substitute with no fat and low cholesterol.

Its secret lies in Simplex, a product made from egg whites and milk protein that has no cholesterol and no fat. Simplex eventually may be used as a substitute for other dairy products like yogurt, sour cream, butter, margarine and cheese, the company predicts.

Simple Pleasures was unveiled for reporters yesterday, after becoming the first fat-substitute product to win approval from the US Food and Drug Administration.

The real taste test will come this summer when it shows up in select flavours in supermarkets across the United States. Distribution in Europe is expected by the end of the year, said Simplex general manager David L. Morley.

"It's potentially very significant. This is the first non-fat fat, so to speak, to be approved on the market," said Harvey Stober, a chemical analyst for Dean Witter Reynolds Inc., who said sales could grow to \$500 million or 1 billion a year in several years.

Monsanto stock jumped higher following the FDA approval, finishing \$4.37 \$1-2 higher at \$11.25 on the New York Stock Exchange.

Simplex is aimed at customers who want to cut the amount of fat and cholesterol in their diet while satisfying their craving for sweets.

It will be launched in an age of dieting and health consciousness when consumers have lined their shelves with products such as oat bran and spring water.

Simplex cannot be used in frying or baking, however, because it coagulates at higher temperatures. And the company has yet to come up with a vanilla flavour simple pleasures that meets its expectations.

A 4-ounce serving of strawberry flavour has 120 calories and less than 1 gram of fat, compared to 250 calories and 15 grams for super-premium ice cream. Simple Pleasures uses sugar, not nutrasweet, although the sugar and fat substitutes could be used together, officials said.

Surgery corrects myopia

CHICAGO, Feb 23, (AP): Two-thirds of people who had eye surgery to correct their nearsightedness were able to see without glasses four years later, but doctors still can't predict the outcome of the costly operation, a US study says.

"Our study and others have demonstrated fairly well that there are some adverse outcomes, but they are relatively rare," said John Carter, co-ordinator of the study, based at Emory University in Atlanta.

The surgery, known as radial keratotomy, is painless and can be performed on an outpatient basis. It involves making cuts in the cornea in a pattern resembling spokes of a wheel. The purpose of the procedure, introduced in 1976, is to reduce the cornea's curvature. It costs about \$2,000 an eye, Carter said.

For four years, researchers tracked 390 patients who underwent the surgery on one eye between March 1982 and October 1983. Visual sharpness was improved to better than 20-40 in 76 per cent of eyes, the researchers reported.

Most patients—69 per cent—had visual sharpness of 20-20 or worse before the operation, and no one had sharpness better than 20-40, the researchers reported in today's journal of the American Medical Association.

But eleven patients who had 20-20 vision or better with corrective lenses before the surgery suffered a significant loss of visual sharpness after the procedure, even with glasses or contact lenses, they reported.

Infections developed in two patients, who were successfully treated with antibiotics without vision loss, Carter said in a telephone interview yesterday.

Among the 323 patients who had both eyes operated on, 64 per cent said they wore no corrective lenses four years after the surgery, the researchers said.

"It is generally thought to be a safe procedure—and effective—and it does result in the reduction of myopia," said Carter, who has a doctorate in physics.



Bush adjusts his cap during ceremonies. (Reuters wirephoto)

Bush promises to restore common sense, fairness to US medicine

BALTIMORE, Feb 23, (AP): US President George Bush promised yesterday to help find ways "to restore common sense and fairness" to the medical malpractice system, and urged physicians to provide more free care for the needy.

Bush made the twin promise and appeal in a speech at the centennial celebration of one of America's premier medical schools, the Johns Hopkins University.

Despite devoting more than 11 per cent of its Gross National Product to health care—the biggest share of any country—"American

medicine still faces unprecedented problems,"

Those maladies, he said, include medical malpractice, the plight of the 37 million Americans with no health insurance, the AIDS epidemic, drug addiction, an aging population and other conditions with "staggering" costs.

Despite spending \$600 billion a year on health care, the United States trails other industrialized countries in life expectancy and ranks 22nd in the developed world in infant mortality, the president said.

Bush noted that he had instructed Health

Secretary Louis Sullivan "to lead a domestic policy council review of options on the accessibility, cost and quality of America's health-care system."

"This administration is committed to health-care policies that improve health-care quality while restraining costs," said Bush.

Some faculty and students were staging a protest against Bush's being awarded an honorary doctorate of human letters from Hopkins.

Several hundred students and others gathered outside the hall where Bush was speaking

to protest the honorary degree. They chanted "health not stealth," and "George Bush go away."

On Wednesday, Dr Philip Zieve, chief physician of the Francis Scott Key Medical Centre, charged the Bush administration with paying "lip service" to human needs while doing "almost nothing to deal with the problems of homelessness and very little to deal with the problems of AIDS."

For his part, Bush said that "better, more affordable health care must also be more accessible."

Handwritten signature: "George Bush"

Ariane blows up after liftoff

\$430 million disaster

KOUROU, French Guiana, Feb 23 (AP)—Arianespace is suspending all future missions after an Ariane 4-L rocket exploded just after liftoff, destroying two Japanese telecommunications satellites aboard in a \$430-million disaster.

The rocket, powered by four strap-on boosters, blew apart last night from an apparent fire in the propulsion system, Arianespace president Frederic d'Allest said.

"We will have some primary indications this morning," d'Allest said. Arianespace scheduled a news conference at the launching site in French Guiana for 9 am local time (1200 GMT) to be broadcast simultaneously at its headquarters in Evry, France.

"The launch was a failure," d'Allest said at the launch site. "All Ariane flights are suspended until we discover the reason of this accident. We are going to analyse this failure and explain the catastrophe of this flight as rapidly as possible."

Witnesses who saw the flight on the video monitors at Evry said flames appeared to break out in the first stage of the rocket before it was due to detach at 2 minutes, 30 seconds into the flight.



Stage debut

Model Julie Anne Rhodes (left), wife of Duran Duran star Nick Rhodes made her stage debut when she appeared in 'Breakfast, Lunch and Dinner' at the Man in the Moon pub theatre in London's King's Road Feb 22. With Rhodes is her co-star, actress Priscilla Phillips. (Reuters wirephoto)

Galaxies clumped in regular pattern

NEW YORK, Feb 23 (AP)—A new study has found that galaxies are clumped in a regular pattern over a vast scale, a finding that would challenge current theories about the universe's structure.

"To find the regularity is just mind-boggling," said study co-author David Koo of the University of California, Santa Cruz.

But another scientist familiar with the study said he believes the findings are merely a statistical fluke rather than a real pattern.

"This is so counter to our notions (about the universe) that I'm going to treat it sceptically unless it's really proven conclusively," said Marc Davis of the University of California, Berkeley.

None of the accepted theories about the universe includes a periodic structure like the one the researchers report, Davis said.

The new work is presented in Thursday's issue of the British journal *Nature* by Koo, Alexander Szalay of Johns Hopkins University in Baltimore and researchers in England.

They surveyed galaxies in two opposite directions from the Milky Way galaxy, which includes Earth.

Distance

Within these narrow lines of sight, researchers found about a dozen clumps of galaxies, separated by approximately evenly spaced gaps of 400 million to 800 million light-years, Koo said.

A light-year is the distance light travels in a year, about 5.88 trillion miles (9.46 trillion kilometres).

The calculated distance between clumps depends on one's assumptions about how fast the universe is expanding.

The gaps were not completely empty of galaxies. The Milky Way, for example, resides between two clumps in the middle of the overall series observed by the researchers, he said.

Koo said it was surprising to find clumps at all over such a large scale, and that the regularity was even more surprising. Researchers are now looking elsewhere to see if the regularity shows up.

"If the pattern is proven, it would force us to re-examine our understanding of currently popular theories about the development of the universe," he said.

Davis agreed that the proven existence of such a pattern would "clearly require new physics. It is totally outside the domain of any physics we have thought of."

"My guess is that when people try to reproduce this survey in different directions (in the sky), they won't see any periodic structure," he said.

NEWS IN BRIEF

America

Flag burning charges dismissed: Attorneys for three flag-burners urged a federal judge Thursday to follow the lead of a federal court in Seattle and strike down a law Congress passed to prohibit flag desecration.

Judge Barbara Rothstein ruled in Seattle Wednesday that the new federal law is unconstitutional and dismissed flag-burning charges against four demonstrators. Federal prosecutors said they may appeal the ruling to the supreme court.

Some members of Congress said the Seattle decision showed that Congress didn't do enough last autumn in passing legislation to outlaw flag burning and should now amend the constitution to ban flag-burning. (AP)

Man who bit passers-by had Aids: A man who went berserk on a city street in Miami and bit at least eight people before he collapsed and died was suffering from Aids, police said Wednesday, and they encouraged his victims to call health authorities.

Experts say there are no known instances of Aids being transmitted by biting, but police said they were issuing the appeal as a precaution.

The incident occurred Feb 7 when Jean Marc Roques, 28, who gave his address as a homeless person, was passing by a park, said police spokesman Ray Lang.

At least four people were bitten seriously enough to be hospitalized, including some who had flaps of skin hanging off arms and faces. (AP)

Skinheads trial opens: Prosecutors opened their case Wednesday in Dallas against five white supremacists "Skinheads" accused of beating up blacks and hispanics and plotting to gas Jews by putting cyanide in a synagogue's air conditioning.

The defendants are on trial on federal civil rights charges alleging they vandalised a synagogue. Three also are accused of chasing blacks and hispanics out of a park, named for a confederate general, that they claimed for themselves.

A prosecutor told jurors that the defendants' plans included a plot to put cyanide gas into the air conditioning system at Temple Shalom in a reminder of the holocaust, in which millions of Jews were gassed in Nazi concentration camps. (AP)

Aids infections rise in US: About 80,000 Americans are infected with the Aids virus every year, a number which continues to outstrip the number of people who actually develop the disease, the government health agency said on Thursday.

The increase in new infections means that by 1993 nearly 225,000 Americans will have active cases of the disease and nearly 75,000 will die annually from Acquired Immune Deficiency Syndrome. (Reuters)

Latin America

Austerity measures feared: Disturbances in Venezuela this week have raised fears austerity measures could provoke another explosion of nation-wide violence near the anniversary of riots last year in which almost 300 people were killed.

Witnesses of riots on Tuesday in Caracas and its sister city, Puerto La Cruz, said the high cost of living and proposed petrol price increases were the main reasons protesters rampaged through the streets looting stores.

Residents of this oil-producing nation in northeast South America said they feared the unrest could spread into a repeat of nation-wide rioting that broke out on February 27 last year to protest against President Carlos Andres Perez' newly implemented austerity measures.

The riots in Caracas and Puerto La Cruz, about 310 km (190 miles) east of Caracas, preceded clashes in the capital on Tuesday where police put down a protest by rock-throwing students at the state-run Venezuelan Central University. (Reuters)

Extra police, food curb looting: The government said Thursday it expected increased police patrols and food coupons for hungry residents to curb the looting that has again shaken Rosario, Argentina's second-largest city.

The situation is "under control," Minister of Government Alberto Didier said Thursday, adding, "the acts of violence and pillaging that took place last



See, no hands

US Tony Melendez, 27, plays a guitar with his bare feet for Pope John Paul II during an audience at the Vatican Feb 21. Melendez was born in Nicaragua without arms as a result of his mother, seen at centre, taking Thalidomide, a drug prescribed for pregnant women that caused the birth of hundreds of deformed children. (Reuters wirephoto)

Brake problems Jaguar recall

DETROIT, Feb 23 (AP)—Jaguar Plc, the luxury British automaker dogged by a image of slipshod quality, is recalling nearly every car it has sold in the United States since the 1988 model year because of potential brake problems.

The 38,315 models affected contain a high-pressure hose that could rupture and spurt hot brake fluid onto an engine, causing smoke, fire and loss of braking power, the automaker said.

The brake recall also affects 56,000 Jaguars sold in other countries.

In addition, Jaguar said it is recalling 38,385 cars sold in this country dating to 1979 for defects that could cause the automatic cruise control device to jam, raising the risk of crashes.

May" won't happen again.

Slum-dwellers reacting to months of rampant inflation reportedly looted food stores and delivery trucks Wednesday despite the efforts of police and paramilitary border guards to keep order.

Fifteen arrests were reported in the looting that began before dawn with attacks on several trucks and small stores, the government news agency Telam said. But by late afternoon, the Interior Ministry described the city, 185 miles (300 kilometres) north of Buenos Aires, as "absolutely normal."

Nine months ago during a similar period of hyperinflation and recession, looting in Rosario and other cities turned into food riots and clashes with police. The violence left 16 people dead, nearly 200 were injured and more than 1,700 under arrest.

Suspect surrenders after 15 hours in a tree

BEACONSFIELD, England, Feb 23 (AP)—A man suspected of killing a couple and their son surrendered to police early today after spending 15 hours in a tree threatening to hang himself with a noose tied round his neck, police reported.

Thames Valley police said he was seen by three local children sitting in the tree with the noose round his neck in a wood near Beaconsfield about 20 miles (30 kilometres) west of central London at 1 pm (1300 GMT) yesterday.

The children said the man, who was not immediately identified, told them he had done something wrong but did not say what.

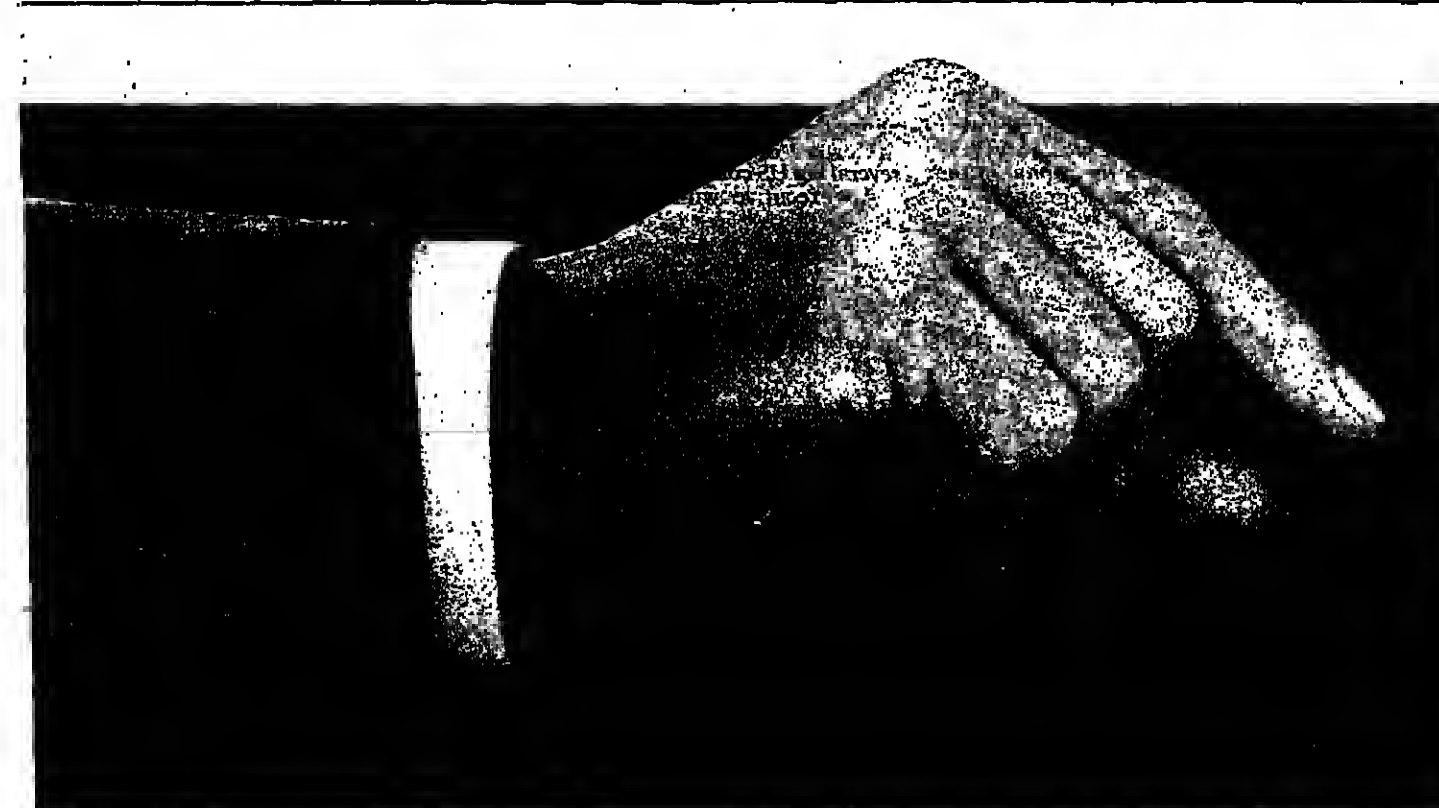
The children, who were friends of the couple's son, shortly afterwards found the three bodies, police said.

Police identified the victims as aircraft worker Anthony Rawlings, 33, his wife Barbara, 32, and their son Paul, 15.

They said that the body of Rawlings and his wife were found in a pool of blood inside their home near the wood and that the body of their son was found in a shed in the back yard.

Police said all three bodies had multiple stab wounds.

Police, firemen, a psychiatrist, and the suspect's doctor surrounded the base of the tree as the man



Captain's sore throat delays Atlantis launch

CAPE CANAVERAL, Florida, Feb 23 (AP)—The National Aeronautics and Space Administration yesterday delayed the launch of the space shuttle Atlantis for a second day to let the shuttle's commander recover from a sore throat and to await better weather.

The secret military mission to put a spy satellite in orbit is not expected to take off until next morning at the earliest.

The shuttle originally was scheduled for a pre-dawn liftoff yesterday but was postponed Wednesday when Navy Capt. John O. Creighton became ill, the second time the space programme has delayed a flight because of a sick astronaut.

Nasa delayed the launch yet another day on the recommendation of doctors examining Creighton, who complained of a sore throat and congestion.

Use right word: FAA

Gum, tips for smokers

WASHINGTON, Feb 23 (AP)—US aviation officials said yesterday they would issue new warnings to airlines and controllers about the proper words to use in dealing with a plane that is running out of gas.

The Federal Aviation Administration responded to urgent recommendations Wednesday from the National Transportation Safety Board in its investigation of last month's Avianca crash in New York that killed 73 people.

Avianca pilots told controllers four times that they were running out of fuel before their jetliner crashed, but the NTSB said that wasn't enough. They should have declared a "fuel emergency," the safety board said.

Pilots of the Colombian airliner apparently tried to tell controllers of an emergency situation but failed to use the language required by the FAA, the board said.

FAA spokesman Fred Farrar said the agency would pass along the safety board's concerns to all carriers and to its air traffic controllers.

"We'll implement the recommendations as soon as possible," he said.

The board asked the FAA to notify all airlines using US skies that their pilots must be "thoroughly knowledgeable" about required communications when fuel emergencies and other critical problems occur.

The four-member board, with one dissenting vote, also urged the FAA to advise its own controllers of "the need to request from flight crews clarification of unclear or ambiguous transmissions that convey a possible emergency."

Board member Jim Burnett said he did not sign on to the recommendations because language in a letter to

Charles chuckles over charges of 'architect-bashing'

WASHINGTON, Feb 23 (Reuters)—Britain's Prince Charles joked about his reputation as an "architect-basher" at an architecture gala, but got serious when it came to defending his plea for more traditional buildings.

"I read in the newspapers... that architects were queuing up to be bashed by the prince—apparently architect-bashing is my second favourite sport to polo," he told 1,200 guests at the American Institute of Architects awards ceremony to Washington last evening.

An untutored but highly vocal critic of post-war architecture, the Prince of Wales renewed his call for a return to tradition.

"I understand all the arguments about being contemporary and about the need to reflect the spirit of the age, but what alarms me is that the age has no spirit," he said.

Architects and others had clamoured to attend the Washington gala. Tickets sold out a month ago and 800 people were on a waiting list for the \$250-a-plate dinner in the newly restored national building museum.

Entertainers Tom Selleck, Brooke Shields and Joan Rivers, as well as Secretary of Housing and Urban Development Jack Kemp and House of



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INTERNATIONAL

Taiwan premier speech stalled

TAIPEI, Feb. 23, (Reuters): Taiwan's premier endured an unprecedented insult today as lawmakers from the island's feisty opposition party kept him waiting more than six hours to give his state-of-the-nation speech.

The obstruction marked new confidence among members of the fledgling Democratic Progressive Party (DPP), which almost doubled its strength in Parliament in December parliamentary elections.

Riot police packed the area around the Parliament building in central Taipei to guard against a repeat of violent rioting on Tuesday, but no demonstrators appeared and the fireworks were confined to the legislative floor.

DPP deputies challenging the right of Premier Lee Huan to deliver the speech, yelled, unfurled banners and wrestled with Nationalist Party delegates for control of the microphone.

Nationalist legislators hissed, banged tables and pulled out their own banners to protest against the filibuster, and later some 60 members of the ruling party staged a brief walk-out.

"What is this? Are you the only members of parliament here? Are we not members too? Or are we just fools?" Jaw Shao-kang, a young Nationalist Party firebrand, shouted at the opposition.

Lee was prevented five times from taking the podium by the chaos on the floor. He finally gave his speech in the late afternoon.

He told the deputies who had kept him waiting since 9 am "to pay more attention to democracy."

"It doesn't matter if you are KMT (Nationalist Party), DPP or independent. We all must work together for the government," Lee told the chamber.

DPP legislators said Lee had no right to give his speech until he had been approved as premier by the new parliament.

The DPP increased its seats in the 281-seat parliament to 21 from 12 in the December elections, the first in which it was allowed to participate as a legal political party.

An octogenarian lawmaker of the ruling Nationalist Party has died one day after fainting during a riot in which protesters called on him and other elderly legislators to step down.

Chiang Kung-Liang, an 82-year-old retired general, died Wednesday evening at the National Taiwan University Hospital.

Chiang, who had been hospitalized for a year with asthma, fainted during the year's opening session of the lawmaking legislative Yuan on Tuesday to vote for a new speaker.

US rights report all lies: China

BEIJING, Feb. 23, (AP): China yesterday denounced a US State Department report that accused it of widespread human rights abuses, and insisted the report's contents were based on lies and rumours.

A Chinese Foreign Ministry spokesman refused to say, however, if his government planned to retaliate in any way. The government's past responses to foreign criticism often have contained warnings that bilateral relations would be damaged.

"The Chinese government and people express their utmost indignation at this (report), which violates the basic norms governing international relations," said the spokesman, Li Zhaoxing, reading a prepared statement at the ministry's weekly news conference.

"The Foreign Ministry... hereby lodges a strong protest with the US government," Li said.

The US state department report, issued Wednesday, contained the American government's strongest public criticism ever of China under senior leader Deng Xiaoping, an official whom three US presidents have praised as a friend.

The report's comprehensive listing of abuses, from torture and secret executions to pervasive surveillance of daily life, was expected to halt the slight warming of US-Chinese relations that followed the December visit of US National Security Adviser Brent Scowcroft.

A Western diplomat, speaking on condition of anonymity, predicted that the official Chinese contacts with the US Embassy in Beijing will drop off sharply.

The embassy experienced a similar freeze-out by many Chinese government units in the first months after the army's June 3-4 crackdown on pro-democracy protesters in Beijing. Official newspapers then carried daily attacks on the United States for criticising the killing of hundreds and possibly thousands of protesters, and for sheltering dissidents Fang Lizhi and his wife.

Philippines struggling to find its future

MANILA, Feb. 23, (Reuters): Four years after ousting a dictator in a show of "people power", the Philippines has become Asia's most fragile democracy, a deeply divided country struggling to find its future.

Prey to army coup attempts, the Pacific nation of 60 million people faces crucial decisions as President Corason Aquino heads into the last two years of her turbulent term.

Mutinous soldiers continue to plot to overthrow her while politicians have begun

jockeying for position for a shot at the presidency in 1992, assuming the army does not take power before then.

"The government can't seem to get off the ground with all the breakdown in public services, divisions in the military, graft and corruption," said Adrian Cristobal, a political analyst and once-spokesman for the late President Ferdinand Marcos. "Things could get worse and the solution may be violent."

Aquino was swept to power on a wave of

hope on February 25, 1986 when hundreds of thousands of Filipinos, backing a small band of army rebels, massed on Manila's Edsa highway in a popular uprising that ended Marcos's 20-year rule.

But in the four years Aquino has been in office, little has changed in a political system that elite, conservative families have dominated for generations. Half the country lives in poverty and there is a communist insurgency.

A rubber-stamp national assembly that

gave the Marcos regime a flimsy democratic facade has given way to a congress ruled by traditional politicians resistant to change.

The judicial system continues to favour the rich while investor confidence in the economy has been battered by six army coup attempts.

Many Filipinos agree US military intervention in the last army insurgency in December saved Aquino from downfall.

A chief Aquino supporter, the United States is concerned about stability in a coun-

try that hosts two strategic American military bases.

Army rebels, promising reforms, have said they will try again, vowing that Aquino will not finish her term.

Despite Aquino's repeated declarations that she will seek re-election, some aides say she is keeping her options open.

One factor that could push her to run again is the possible candidacy of her estranged cousin, Eduardo Cojuangco, a powerful

industrialist during the Marcos government and a former top ally of Marcos.

Analysts said Aquino might perceive a Cojuangco presidential bid as reviving vestiges of the Marcos era which she has vowed to stamp out.

"While the president may be sincere in saying that she's not going to run, there are institutional impulses within the executive which might force her to run or create circumstances in which she will run," said political scientist Rex Lores.



Mr Zero-Population-Growth pictured in his hometown of Wollongong. (Rauter wirephoto)

Push for death

Zero campaigns

SYDNEY, Feb. 23, (Reuters): War, drink driving, cigarette smoking and a cut in Aids research will help solve Australia's economic woes.

Well, that's the political platform one Wollongong candidate is putting forward ahead of the March 24 election.

Mr Zero-Population-Growth, David Roy Hughes before he changed his name by deed poll in January, is attempting to win one of six senate seats at the poll, which will focus on the more important House of Representatives, the lower house.

My campaign slogan is no bribes for breeders," Zero said.

"Increasing the death rate is obviously a contentious issue and attracts the lurid headlines, but you have to do it," said Zero, a metallurgist in the New South Wales port of Wollongong.

"It's better to encourage 100,000 extra deaths now than wait 10 years and be forced to see 300-400,000 people die," he said.

Zero said Australia was wasting money supporting an even increasing population, currently around 16 million. It should channel revenue now used for child care and education into improving the country's industries and living standards.

If elected he would lobby to allow cigarette advertising back on television, in the hope of increasing the

country's lung cancer rate, and legalise drink driving.

"We should allow cigarette advertising back on television and encourage people to drink and drive because road carnage kills young people before they have children," said Zero.

"They are the ones we have to knock off," he said.

An increase in road deaths would also boost industry, which would have to produce more replacement cars and buses for those destroyed in road crashes.

Zero said he would oppose any increase in defence spending as Australia's defence forces are too timid.

"The army, navy and air force here don't kill anyone. I'd look at starting a good war with Indonesia or Papua New Guinea," he said.

Coupled with an increased death rate, Australia should also cut its migrant intake and birthrate by 100,000.

If all child subsidies and education funding were abolished then tax rates could be cut by half, he reasons.

"The government would not be interfering in the bedroom, you can have as many kids as you like so long as you pay for them," he said.

Zero needs 300,000 votes, 14 per cent of the total vote in New South Wales, to gain a seat. He doesn't give himself much change.

Cheney confirms US troop-cut plan

America intends to remain involved in Asia

TOKYO, Feb. 23, (AP): US Defence Secretary Dick Cheney confirmed publicly for the first time today the United States is considering cutting about 12,000 troops from Asia, and the "first phase" of the pullout could take three years.

Cheney, wrapping up his two-week visit in the Pacific rim with a major policy address before the national press club, stressed that troop reductions should not be seen as a "first step towards withdrawal" from the Pacific, even if they go farther than now foreseen.

The US Defence chief declined to cite a specific figure, but said he'd

been discussing "a range" of cuts with Asian allies.

"It is on the order of 10 per cent, scattered about the region," Cheney said. "The first phase (for the withdrawal) is approximately three years."

The secretary said final decisions have not yet been made, pending further discussions with the military commanders and Congress. But he said he believed that despite pressure from some lawmakers for 20 per cent to 30 per cent cuts, the Congress would maintain "a major US presence in the Pacific."

Asked how much increased funding for US forces based in Japan he would request from Japanese officials, Cheney said: "We'd like as much support as we can get."

The secretary said that Japan has "significantly increased" its funding for US forces here in the recent past, adding: "We think that is a very positive trend," and that he hoped such increases would continue.

In his address, Cheney said: "The United States intends to remain involved in Asia."

His comments were apparently directed at reassuring the governments in the region.

During his Asian tour, Cheney has carried a stark, new message to Japan, South Korea and the Philippines — there will be fewer US troops in the region in the future, and less money to pay for them coming from Washington.

Amid the lessening of superpower tensions in Europe, Cheney has been pressed by Congress to slash his defence budget, and reassess the reasons for keeping 120,000 US troops in the region.

Japanese officials, following daylong discussions yesterday with Cheney, called plans for reducing the 50,000 US troops in Japan "prudent and appropriate."

And Cheney hinted in his speech that there might even be more changes in store.

"We are thinking about some force adjustments," Cheney said in his speech, emphasising they would be "moderate... adjustments" that would not adversely affect the security balance in the region.

"We are not talking about a first step toward withdrawal," Cheney said.

"In the future, if there are solid indications that regional stability will not be threatened, we may — in consultation with our allies — make other adjustments that would be appropriate."

To emphasise America's commitment to the region, the secretary announced the aircraft carrier USS Midway, now based in Yokosuka, Japan and due to be retired, will be replaced by the carrier USS Independence in the summer of 1991.

In his speech, Cheney also had a message for Washington lawmakers, saying, "it would be a mistake" to reduce the US presence in Asia just because of the lessening of tensions in Europe.

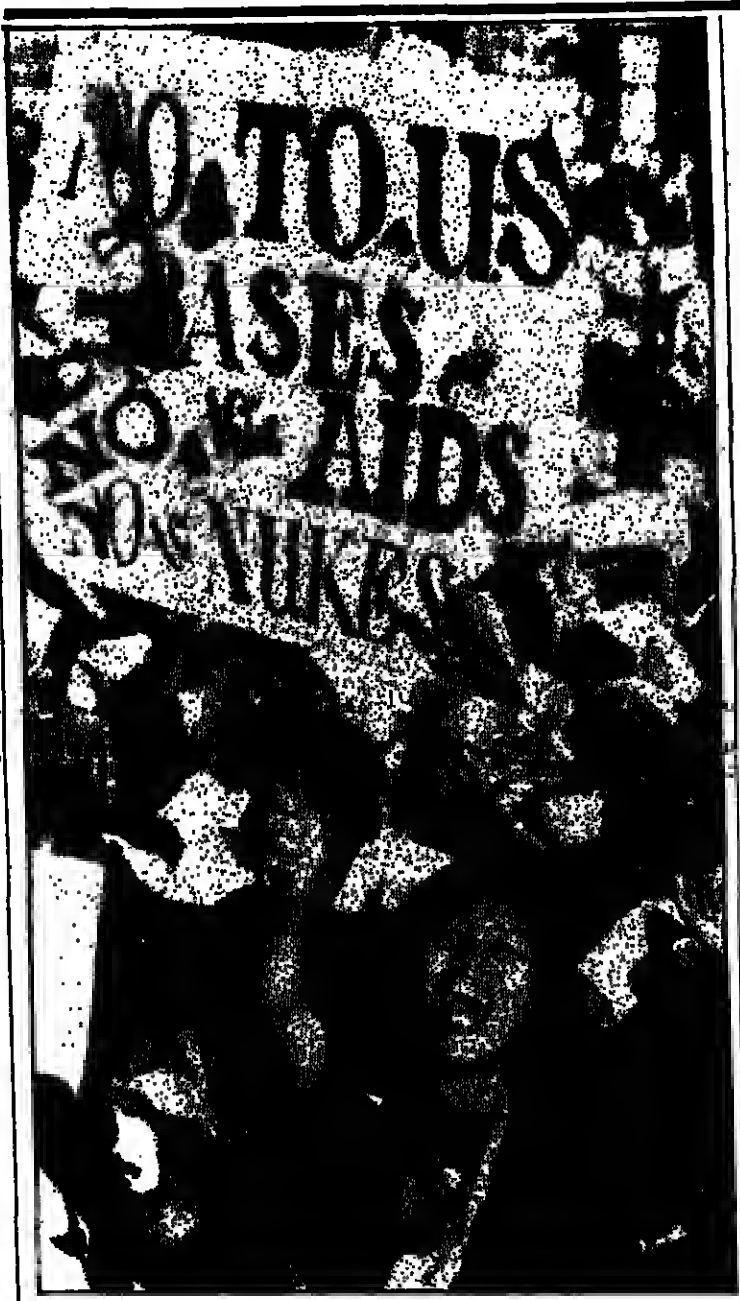
America must "look at the region on its own terms," Cheney said.

The Soviet Union hasn't acted to reduce tensions in Asia as it has in Europe, Cheney said, calling on Moscow to help calm the region's flashpoints.

"I would welcome Soviet acts that would contribute genuinely to a reduction of tensions in the Asia-Pacific region," he said.

He said any US troop reductions would be made without demands for "a reciprocal Soviet reduction."

Cheney met yesterday with his Japanese counterpart, Defence Minister Juro Matsumoto, as well as Prime Minister Toshiki Kaifu, and Foreign Minister Taro Nakayama.



A militant worker holds up an anti-US placard during a rally. (Rauter wirephoto)

American killed in Philippine ambush

Bomb defused

MANILA, Feb. 23, (Reuters): Gunmen believed to be communist guerrillas shot dead an American geologist, his Philippine wife and father-in-law in an ambush in the central Philippines, the military said yesterday.

The attack on Wednesday occurred shortly after US Defence Secretary Dick Cheney visited the Philippines and followed warnings from rebels they would kill Americans as part of a campaign to force the removal of US military bases here.

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Balance of power

Janine Haines, leader of the Australia Democratic Party holds a press conference during his election campaign Feb. 22. Members of the Federation of Air Pilots Association have been in a dispute with Hawke over the use of overseas pilots. They have been picketing venues where Hawke has appeared during his campaign. (Rauter wirephoto)

hotel where Prime Minister Bob Hawke was holding a press conference during his election campaign Feb. 22. Members of the Federation of Air Pilots Association have been in a dispute with Hawke over the use of overseas pilots. They have been picketing venues where Hawke has appeared during his campaign. (Rauter wirephoto)

Concern at Papua violence

CANBERRA, Feb. 23, (AP): Prime Minister Bob Hawke was reported today very concerned following reports that the Papua New Guinea army massacred an undetermined number of civilians from that nation's island of Bougainville.

Australian Foreign Ministry sources said Hawke had raised the issue of possible human rights violations on the strife-torn island at the "highest-level" with the government of Prime Minister Rabbin Namaliu.

Officials, who declined to be identified, said the Australian Foreign Ministry last week heard reports of the army seizing about seven militants from a hospital on Bougainville, executing them, and then dropping their bodies at sea from a helicopter.

Australia reports biggest drug bust

SYDNEY, Feb. 23, (AP): Customs officials today reported making Australia's biggest cocaine seizure after intercepting 28 kilograms (62 pounds) of the white powder from a flight that originated in Miami, Florida.

Spokesman Alastair Wilson said two men, an Australian and a Spanish national, made separate court appearances today charged with the importation of the cocaine on Feb. 7.

Grenade blast, bomb threats in Manila

MANILA, Philippines, Feb. 23, (AP): A grenade exploded yesterday in Manila's trade centre, injuring three people, after a bomb threat disrupted a Holy Quran reading contest at a nearby theatre, police said.

Also early yesterday, a bomb was found outside a fashionable department store in the financial district of Makati, but police took it away and detonated it harmlessly, investigators said.

Edilberto Capacete, a member of the Manila police bomb disposal unit, said a man lobbed the grenade at several stalls handling tattered trade goods in the Quiapo district. The man escaped.

Two women traders and a man were taken to hospitals

for treatment of shrapnel wounds. A police report said none of the victims was in serious condition.

About an hour before the blast, police said, a man had called the Manila Metropolitan Theatre, near Quiapo, (0530 GMT), saying a bomb would explode in the building at 1.30 pm.

A Holy Quran reading contest was suspended as police searched the theatre, but no bomb was found.

Police investigators could not say whether the call was related to the blast, but said the actions could have been in reaction to allegations of fraud in a recent election for Muslim autonomous government in the southern Philippines.

The rebel soldiers alleged that the Aquino government has allowed foreigners to dominate the economy and political life in the Philippines.

The underground group, whose key leaders also played major parts in the 1986 revolt, said the administration was "appealing abjectly for foreign intervention to save it from the wrath of a long-suffering populace with legitimate grievance."

Meanwhile, the communist New People's Army urban guerrilla unit in Manila issued a statement "saluting" Filipinos for participating in the 1986 "people power" revolt.

The archbishop who helped negotiate the surrender of rebel soldiers during a coup attempt in December has refused to testify in an investigation of the motley, the state-run Philippines News Agency reported today.

The report quoted a spokesman for Cardinal Ricardo Vidal as saying that the Cebu archbishop's testimony "may be divisive and this will go against the pastoral approach of the cardinal and the church."

"If we issue any statement, we will lose our credibility in an future negotiations effort," the spokesman quoted Msgr. Achilles Dalay, Vidal's spokesman, as saying.

Don't have kids, N-plant workers told

SELLAFIELD, England, Feb 23, (AP) Some workers at the Sellafield nuclear reprocessing plant may be counselled not to have children because higher than expected rates of leukemia have been found among employees' children, the company's safety director said.

However, the company later said it was up to the workers to decide.

"Workers who want individual counselling can get it and if they are so worried the advice could be 'Don't have children.' It is not surprising, however, that I hope would be widespread advice," said Dr. Roger Berry, health and safety director for British Nuclear Fuels Ltd, the operator of the plant.

British nuclear fuels later issued a statement saying that advising workers not to have families "is not company policy."

A research team headed by Martin Gardner, professor of medical studies at the University of Southampton, reported in last week's British medical journal that children of men who worked at the plant had a higher than expected rate of leukemia.

British nuclear fuels said the company had promised medical counselling for all employees to ensure they understood the report and the risks to them if its findings are confirmed.

"Ultimately, it is then for each individual worker to reach a decision, not for the company to advise on one course of action or another," it said.

Gardner met with workers at the plant in northern England on Wednesday and later said he was urging British nuclear fuels to study whether it was possible to minimize radiation exposures of younger workers.

"These would be the sort of people who were still capable of having families and may prefer not working in higher radiation levels," said Gardner, who added that he did not wish to overstate the risks involved.

A full scale search of beaches on the south coast of England was underway yesterday morning after cans containing a deadly poison were washed ashore overnight.

The risk of a child in this country getting leukemia is one in 2,000, while those whose fathers were exposed to the highest radiation levels is about seven in 2,000, or one in 300.

Gardner reported that the main finding of his study was that the risk was highest for fathers who had received total exposure in excess of 100 millisieverts.

Presented to comment on the British move, Thatcher's second cabinet after talks with Italian Prime Minister Giulio Andreotti.

"I am accused of being out of step and isolated. It is pretty easy to see, pretty crowded, judging by the numbers of foreign statesmen who are talking to me. It is very cozy and very crowded being isolated if that is the right word, which it is not," she told a news conference, her tone slightly mocking.

Britain was alone at this week's EEC foreign ministers' meeting in Dublin when it confirmed the Thatcher government's decision to break ranks and lift voluntary sanctions imposed against South Africa in 1986.

The ministerial move was the first step by any country to relax sanctions against Pretoria in response to South African President F.W. de Klerk's reforms and the freeing of black nationalist leader Nelson Mandela this month.

UK lifts SA ban: Maggie defiant

LONDON, Feb 23, (Agencies) Britain lifted a ban on new investments in South Africa today and Prime Minister Margaret Thatcher dismissed suggestions Britain stood isolated by acting out of concert with its European Community partners.

Trade and Industry Secretary Nicholas Ridley said in announcing the move in Parliament:

"We have made clear our view that the steps President De Klerk has taken have transformed the political climate in South Africa."

He has opened the way to a peaceful end to apartheid through negotiation. This deserves a constructive response from the international community," he added.

Ridley also announced an end to a ban on the promotion of tourism to South Africa.

Mandela was among black South African leaders who last night thanked Thatcher for lifting sanctions against Pretoria until the state of emergency was lifted and apartheid dismantled.

South Africa's anti-apartheid church leader Frank Chikane, arriving in Britain shortly before the announcement, described Thatcher's decision to lift sanctions as "overwhelming."

The opposition Labour Party condemned the move as a "sell-out" to Mandela's call for continuing sanctions.

African foreign ministers condemned Britain's decision. The ministers said the British decision flew in the face of an international consensus on the need to maintain sanctions until South Africa eliminates its apartheid racial policy.

Sylvester Nkomo, the OAU assistant secretary, said the ministers had recommended that Feb 11 should be commemorated annually as Nelson Mandela day.

The administration of US President George Bush opposes placing more economic sanctions on South Africa because "when someone is starting to do the right thing, you don't kick them in the groin," an official said yesterday.

Herman Cohen, the assistant secretary of state for African affairs, also predicted South Africa might be able to satisfy conditions that could lead to the removal of US economic sanctions "in the next three months."

De Klerk yesterday welcomed a decision by called ANC leaders to send a delegation to South Africa, possibly within weeks, for "talks about talks" on a new non-racial constitution.

"This commitment to talks with the South African government... appears to be consistent with an attitude to search for solutions through peaceful means," he said in a statement.

Mandela will embark next week on an 18-day, four-nation journey that will be his first trip abroad since his release after 27 years in prison, aides said today.

The ANC leader met today with parliamentary opposition leaders, and his aides confirmed he planned to meet Monday with the chairman of the country's largest mining conglomerate.

Mandela is keen to come to London to address a concert in his honour in April, a British anti-apartheid campaigner said.

Anglican Bishop Trevor Huddleston said he had spoken to Mandela by telephone about attending a concert at London's Wembley Stadium on April 16, the Easter Monday holiday, to celebrate his release from prison.

Soviet groups gear up for mass rallies

Central committee urges citizens to stay away

MOSCOW, Feb 23, (AP) Citizens' groups in major Soviet cities are preparing for mass rallies this weekend to push their calls for greater political freedom, and Communist Party leaders are warning them not to create "chaos."

The rallies scheduled for Sunday grew out of the success of a Feb 4 protest, when a column of demonstrators — 60 people wide and more than a kilometre (mile) long — paraded through the streets of Moscow demanding that the Communist Party give up its grip on power.

The rallies and demonstrations called for this weekend will be the first major public gathering since the party's Central Committee

approved a proposal Feb 7 to renounce the communists' monopoly on power, paving the way for a multiparty system.

Many of the rallies are being organised by citizens' Popular Front movements, which have been pushing for greater political freedom during the past two years.

But the Central Committee has urged citizens to stay away from the new demonstrations. In television and radio broadcast yesterday and again today, the policy-making body of the party urged Soviet citizens to oppose attempts to create "chaos."

Timisoara up in arms once again

BUCHAREST, Feb 23, (Agencies) Thousands of people demonstrated yesterday in Timisoara, cradle of Romania's revolution, local journalists reported.

The journalists, contacted by telephone from Bucharest today, said 4,000 to 5,000 people took part. The demonstration was peaceful but the crowd chanted slogans against President Ion Iliescu and the provisional government.

Timisoara police said last evening that only about 200 people were involved in the demonstration.

The revolution, which ended with the ousting and execution of dictator Nicolae Ceausescu, was born in the Transylvanian city on December 16, when thousands of people took to the streets.

Reports that almost 5,000 people died in the Timisoara protests, although about 100,000 had been believed to have been killed by the Securitate secret police.

Representatives of 12 ethnic minorities in Romania met yesterday with the country's Vice-President, Carol Koralci, to request a law guaranteeing minority rights, and the re-establishment of schools in the Turkish, Serbian and Bulgarian languages. Koralci described the meeting as positive but gave no details.

Meanwhile, a leading dissident expelled from Romania five years ago accused the interim government of being undemocratic and said he was still being followed by secret police.

GDR proposes heavy troop cuts

Modrow 'not to run'

EAST BERLIN, Feb 23, (AP) East Germany yesterday proposed slashing the armed forces of a united Germany by two-thirds of present combined forces, and called for some US and Soviet troops to remain during the unification process.

In Bonn, a West German government spokesman said only the government of a united Germany could give Poland a guarantee of its borders. West German television reported.

The ZDF television report quoted government spokesman Dieter Vogel as saying the formula for achieving German unification had been set by the victorious World War II allies.

But he said this would include consultations with Poland's government "according to the treaty."

The West German newspaper Sueddeutsche Zeitung reported that East German Premier Hans Modrow will not run in next month's elections for the reorganised Communist Party, now called the Party of Democratic Socialism.

But the party's campaign manager, Andre Bode, told the official news agency ADN that he could not confirm the report and that no decision had been reached on Modrow's candidacy.

Modrow, a reform-minded communist, became premier in December.

Theodor Hoffmann, outlining a plan for merging the two countries' armed forces, said both states should remain in their respective military alliances until unification is achieved under a new European security system.

West Germany is a member of Nato, and the western alliance has more than 300,000 troops in the country, about 250,000 of them American. East Germany belongs to the Soviet-led Warsaw Pact, and about 300,000 Soviet soldiers are stationed in East Germany.

Hoffmann said the armed forces of a future joint German army should initially be reduced to about 300,000 men, and later cut to between 150,000 and 200,000 soldiers.

Gen. Hans-Dieter Best, East Germany's representative at the Warsaw Pact reduction talks, said any troop strength for a united Germany over 300,000 men "would cause security concerns of our neighbours, especially France and Poland."

West Germany has 490,000 troops. East German officials say its armed forces have shrunk from 170,000 to 100,000 men in recent months.

Talks with the West German military on merging the two countries' armed forces could begin soon after a new East German government is elected following the country's first free elections on March 18, Hoffmann said.

Earlier in the week, the Soviet legislature issued a decree calling on local authorities to crack down on illegal protests on Sunday and to strictly control those demonstrations that are permitted.

The Supreme Soviet decree allows only officially sanctioned rallies to take place, and already groups in the Uzbekistan capital of Tashkent have been denied permission to hold an outdoor gathering, although an indoor meeting will be allowed.

Leningrad activists were denied a request to stage a march and instead will hold a rally at a sports complex.

Organisers of Sunday's rally in Moscow have received permission to gather, and the official Soviet news agency Tass quoted Vladimir Kamchatov of the electoral association as predicting that up to 300,000 people might turn out.

Demonstrations are planned in a number of provincial cities across the vast Russian republic, which stretches from Finland to the Sea of Japan.

The gatherings come just before March 4 elections to choose members of the Russian republic's legislatures. Elections also are scheduled that day in the Ukraine and Byelorussia.

Mikhail Tkachev, leader of the Byelorussian Popular Front, said that during Sunday's meeting in the capital of Minsk his movement will demand registration of candidates that local authorities have refused to place on the ballot.

At the rally, he said, demonstrators will "express our distrust in the republic's political leadership and press for their resignation and the banning of party organisations from enterprises, colleges, army and law enforcement organs."

Demonstrations are planned throughout the Ukraine, which last summer was rocked by strikes and where regional party leaders have been resigning under public pressure with growing regularity.

All independent political groups have been invited to take part in a rally in the Ukrainian capital of Kiev, while a regional strike committee formed last summer is leading the rally in Donetsk.

In Azerbaijan, where a state of emergency was imposed Jan 20 following a blood week of ethnic unrest, Yusif Samad Oglu of the Popular Front said no rallies were planned out of fear that soldiers would use force against the crowd.

But in Armenia, which is locked in a territorial dispute with Azerbaijan, a meeting is planned to honour the 125th anniversary of the birth of Andronik, an Armenian military commander who fought against the Turks in the 1920s.

US Secretary of State James Baker sent a message to Soviet Foreign Minister Eduard Shevardnadze complaining about Moscow's denial of visas to four congressmen planning to observe elections in Lithuania, an administration official said.

The message said the denial of visas was inconsistent with the recent pattern of relations between the two countries.

An anti-Opera Ball demonstrator gets beaten by several riot policemen in Vienna. (Reuter wirephoto)

Princess Caroline of Monaco and her husband Stefano Casiraghi stand in their box and watch the opening ceremony of Opera Ball in Vienna. (Reuter wirephoto)



Clash during Vienna ball

Protest against display of wealth: 69 hurt

VIENNA, Feb 23, (AP) Hundreds of demonstrators clashed with police outside the Vienna state opera as socialites waltzed inside, and authorities said today that at least 69 people were injured.

The 1,300 demonstrators were demanding that funds raised to finance the annual opera ball be spent for social programmes to help the poor and homeless.

The violence outside the opera peaked as President Kurt Waldheim and his wife arrived to attend the event last night. But the nearly 3,000 police officers on hand ushered them and other dignitaries safely inside.

Although two leftist groups received permits for the protest, police said they were not responsible for the violence. Police president Guenter Boegl said the clashes were triggered by right-wing radicals who joined the protest.

A police communique today said at least 69 people were injured in clashes around the opera, including 60 policemen and nine demonstrators. Ten other demonstrators were taken into custody, it said.

The demonstrators were protesting the display of wealth and pageantry at the ball. Some posters said: "Gobble up the rich."

Police used shields to ward off stones and bottles as they charged the crowd with clubs and dogs, witnesses and reporters said. Scuffles also broke out between demonstrators and groups of right-wingers, police reported.

Reporters watching the scene said police action at times appeared uncoordinated and haphazard, with some officers rounding up inactive demonstrators and others driving into the crowd on motorcycles.

Some of the chaos may have resulted from police radio contact being briefly disrupted by pirate transmitters, deriding or abusing police officials.

Radical demonstrators smashed shopwindows and damaged cars in streets near the opera, a police station said.

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He said e shortage of Chinese-supplied ammunition would prevent the guerrillas from immediately trying to retake the town.

Rifle-toting guerrillas and civilians chanting, "Long live his royal highness," greeted Sihanouk and his wife, Monique, as they crossed by car from Thailand to a paraded field about 100 metres (yards) inside the border province of Oddar Meanchey.

Sihanouk, 68, said they would live with their white poodle, mickie, in the "liberated zone" controlled by guerrilla fighters until the entire country was free.

"All Cambodians want to live in Cambodia and die in Cambodia," he told about 100 reporters huddled in for the homecoming.

In recent months, the three-party guerrilla coalition — comprising the KPNLF, the communist Khmer Rouge and Sihanouk's followers — made major military gains in northwestern Cambodia, including Oddar Meanchey.

But government troops recently launched a counteroffensive that scored its first major victory with the capture of Svay Chek.

Phnom Penh radio announced government troops "succeeded in completely recapturing Svay Chek. We are now in full control of this area."

Dien Del claimed Vietnamese troops took part in the fighting. Hanoi contends all its forces were withdrawn from Cambodia last September.

The rebel liberation front had taken the town Dec 5 after three major assaults. It gave them a springboard for attack on Sisophon, a government military operations center 20 kilometres (13 miles) to the south.

Starting today, the prince was to live in a simple one-room village house without running water or central electricity, said his spokesman, Ek Sereyvatth.

NEWS IN BRIEF

Europe

Baby girl with two heads: A baby girl with two heads was born in the town of Chipran east of Plovdiv in southeastern Bulgaria, the Bulgarian trade union daily Trud reported Thursday.

Five hours after the delivery, Trud said, doctors performed surgery to remove the second head, and the operation was apparently successful.

The newspaper described Chipran as an area highly polluted with radioactivity in 1987, one year after the nuclear accident at Chernobyl in the Soviet Union.

However, two doctors interviewed by the newspaper would not say whether the malformation was due to Chernobyl, the ecological situation in the region or to genetic factors. (AP)

Supreme court acquits Kopp: Switzerland's Federal Tribunal acquitted former Justice Minister Elisabeth Kopp yesterday on charges of giving her husband confidential information about a drug money-washing investigation.

The Federal Tribunal, or supreme court, also acquitted Kopp's two former aides Renate Schwob and Katharina Schoop of violating official confidentiality regulations.

Kopp had faced a maximum three years imprisonment and fine of 40,000 Swiss francs (\$37,200) although the prosecution asked for only a small fine, saying a prison sentence would be out of all proportion.

Kopp, 53, made Swiss history when in 1984 she became the first woman ever elected to the country's 7-member Federal Council or governing coalition cabinet. (UPI)

Stolen cockatoo back home: A rare cockatoo stolen from an aviary two months ago talked his way home by proving he really was a wally.

The Moluccan cockatoo, called Wally, disappeared after a break-in at Birdworld Aviary south-west of London.

Because there are only 20 pairs of Moluccan cockatoos left in the wild, the theft sparked a nation-wide hunt.

The cockatoo was given a new name by the thieves who sold him to Sally Cartwright in another part of the country.

Cartwright, who knew the bird as Ollie, read about the theft in a magazine and realised he had been saying "hello Wally" when talking to her.

She immediately rang the aviary and gave Wally back. (Reuters)

Demonstrator killed in Kosovo: An ethnic Albanian demonstrator was reported to have died in the troubled province of Kosovo, raising the death toll this year to 29, while security forces appeared in full control yesterday after a month-long spate of violence.

An unidentified ethnic Albanian woman was reported by the Belgrade Vozdnevje Novosti newspaper to have died Thursday in a hospital in Titova Mitrovica some 45 kms (28 miles) northwest of the provincial capital Pristina.

The woman died after being seriously wounded when police fired at demonstrators in the town on Wednesday, a doctor in the hospital told the AP on condition of anonymity.

The death was the 29th reported fatality in month-long clashes between ethnic Albanians seeking greater autonomy for the province and security forces in Kosovo. (AP)

Carlsson ready to form government: Ingvar Carlsson, head of Sweden's caretaker cabinet, today said he was ready to lead a new government to replace the one which resigned last week, Swedish television reported Thursday.

Carlsson informed parliament speaker Thage G. Peterson he could present the government to the legislature for approval, the television reported.

The social democratic leader declined to comment as he left Peterson's office, saying only that the speaker must consult with other political party leaders before any announcement.

Formation of a new government would overcome the most severe test in a decade for the social democrats, who have dominated Swedish politics for almost 60 years. (AP)

Crowd overpowers Irish police: A crowd in Northern Ireland overpowered police officers and forced them to release three men suspected of preparing to shoot down an army helicopter, police said Wednesday.

The chase was resumed later and three men were arrested.

According to the police account, the incident took place on Tuesday when a helicopter crew spotted masked men preparing an ambush outside Cullyhanna village in South Armagh.

The area is known as "bandit country" because of its links with the outlawed Irish Republican Army and is close to the border with the Irish Republic.



Kaifu calls session: Prime Minister Toshiki Kaifu and his cabinet have called a session of Japan's parliament for February 27, the prime minister's office said on Friday.

He is expected to name a new cabinet the same day after parliament formally re-elects him prime minister.

Kaifu led the Liberal Democratic Party to victory in elections last Sunday, ensuring it continued to dominate the more powerful lower house. It is in a minority in the upper house.

The parliamentary session is scheduled to last 120 days and will debate such issues as an unpopular sales tax, regulations to improve political ethics and a budget.

Kaifu is expected to deliver a policy speech on March 2. (Reuters)

Malaysia protest allegations: Malaysia has made an official protest over, Britain's Prince Charles allegation of genocide against the nomadic Penans in the east Malaysian state of Sarawak, Prime Minister Dr Mahatir Mohamad said Thursday.

He said Malaysia is concerned that a charge made by a person of his position will be believed by the world community.

Dr Mahatir said the world community might believe the allegation if the statement is not corrected. (Kuna)



Political detainees to be freed: The military government will free all but 10 of Nigeria's political detainees in the next week, Adm. Abacha Alkhoru said Thursday.

The admiral, who is the second highest-ranking officer in Nigeria's security forces, told an annual lawyers' conference that the only people who would remain in detention are "ten detainees (accused of) causing economic adversity."

All other detainees, whom he accused of "petty crimes," would be freed in the next week, he said.

He did not say how many political detainees there are.

Amnesty International, the London-based human rights group, reported at least 30 prisoners of conscience, including trade unionists and journalists, were detained for varying periods last year. Amnesty said numerous other detainees and convicted prisoners died of disease and medical neglect in overcrowded cells that have poor sanitation. (AP)

Aids wiping out villages, economies: Aids is wiping out entire villages and crippling economies in southern and central Africa, a Paris-based group warned on Thursday.

"What is at stake in Africa is to prevent a whole generation from being infected with Aids," said Dr Marc Gentilini, president of the Pan-African Organisation to Fight Aids (OPALS), which claims the disease is killing one in 10 to central and southern Africans between the ages of 25 and 45.

Gentilini told a news conference a study by Foreign doctors and legal experts in Africa showed that money spent on Acquired Immune Deficiency Syndrome was crippling some economies.

In Zambia Aids was paralysing copper production, which accounts for one-fifth of the country's income, he said. (Reuters)



Party spirit
A woman enjoying the opening day of the carnival in Cologne, clutches a lake violin filled with whisky to help her enjoy the party spirit. (Reuter wirephoto)



Tap water too

Worries over chemical contamination forced bottlers to recall up to 2 million bottles of mineral water on Wednesday, while authorities warned 160,000 people in central and eastern France not to consume polluted tap water.

The moves came as a dispute erupted between environmental and agriculture officials over widespread pollution of drinking water due to drought, heavy use of nitrate-based fertilisers and recent floods.

The Societe Generale des Eaux Minerales de Vittel announced it would withdraw from sale an estimated 500,000 bottles of Hepar mineral water to allow consumer worries that some might be contaminated with traces of the hydrocarbon chemical alcano.

Hepar is distributed and consumed almost exclusively in France, director Alain Dorner told the Associated Press. The company also produced the popular Vittel water for domestic and foreign consumption.

Supplies of Hepar were contaminated Jan 10-11 when water sitting in an aboveground tank awaiting bottling came into contact with a filter exposed to air polluted with alcano, Dorner said.

The water was bottled and shipped to points around France in late January, Dorner said, and later quietly withdrawn from sale after the company discovered the contamination.

The crew radioed an alert to police, but the men apparently heard it on their own radio and drove off toward the border. (AP)



Lekhanya grabs monarch's powers: Lesotho's military ruler Major-General Justin Lekhanya has stripped King Moshoeshoe II of all but ceremonial power after the monarch refused to endorse the sacking of four members of the ruling junta.

Prior to the decree on Wednesday, Lekhanya, as head of the six-man ruling military council, had been obliged to confer with Moshoeshoe on major executive and legislative decisions.

Now the monarch of this Southern African kingdom, entirely surrounded by South Africa, retains only ceremonial powers.

On Monday, Lekhanya dismissed and arrested the four members of the military council on suspicion of plotting against the government. They include Colonels Sekhobe Letse and Thabane Letse, both cousins of the king, who had demanded unfettered powers for the monarchy. (Reuters)

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Israeli jets flatten PFLP base

SIDON, Feb 23, (Agencies): Israeli warplanes executed an early morning raid against a Palestinian base near this southern provincial capital today, police said.

A police spokesman said the raid targeted a base manned by fighters of Dr George Habash's Popular Front for the Liberation of Palestine in the Kfar Jara hills, east of Sidon.

The spokesman, who cannot be named in line with regulations, said at least three

Israeli jet fighters carried out the five-minute attack at 2:15 am (0015 GMT).

The raiding jet fighters fired six air-to-surface missiles against the PFLP base, he said.

"The aircraft of the enemy carried out a raid on one of our positions in Kfar Jara which resulted in the destruction of the targeted post," a PFLP spokesman said.

The spokesman said the base was empty during the raid — the third this week on

Lebanese or Palestinian positions in South Lebanon.

Witnesses in Sidon, 21 miles (40 kms) from Beirut, said the jets roared low over the city, shaking them out of bed.

"We rushed to basements and air raid shelters assuming the city was under attack," said Fatima Haleb, a housewife.

Her husband, Hassan Haleb, said he watched the planes releasing scarlet balloons to deflect heat-seeking anti-air-

craft missiles.

The raiding jets, Haleb said, also released parachute flares that illuminated the whole region.

Defenders fired heavily at the planes from anti-aircraft guns.

■ A Turkish janitor working at Turkey's embassy in Lebanon was kidnapped from his Beirut home today, the Turkish Foreign Ministry said.

Free hostages, Iran daily pleads

DAMASCUS, Feb 23, (AP): A Tehran newspaper said yesterday that foreign hostages held in Lebanon, including nine Americans, had become a tool to be used against Iran and that they should be freed.

The editorial in the English-language Tehran Times was an Iranian newspaper in support of freeing the hostages, whose fate is believed linked to a power struggle within the Iranian leadership.

The newspaper is close to Iranian President Hashemi Rafsanjani.

Freeing the hostages would be in line with Islamic principles and Muslim forces "should work to get the hostages free with no preconditions," the paper said in a report carried by the official Islamic republic news agency.

Syrian Foreign Minister Farouk Al Sharaa told the sister of one of the hostages that the Tehran Times editorial was "a good sign" and that he would be going to Iran soon to push for a hostage release.

Al Sharaa told Peggy Say, sister of Associated Press chief Middle East correspondent Terry Anderson, held for nearly five years, that he would "work intensively with the top Iranian leaders" on the hostage issue.

US offers Egypt tanks in surplus

WASHINGTON, Feb 23, (UPI): The State Department confirmed on Wednesday the United States has offered to send Egypt M-60A1 tanks from NATO stocks in Europe to replace obsolete Soviet-supplied vehicles.

Published reports said about 700 tanks are involved in the deal and Egypt would be allowed to have the entire batch for the shipping costs — about \$1 million — instead of the \$140 million that such vehicles would normally cost.

Spokeswoman Margaret Tutwiler confirmed there are discussions under way on the deal and that members of NATO and Israel have been consulted.

She said Israel was offered a similar deal, but declined.

Under the offer, the Egyptians would destroy one T-54 or T-55 Soviet-built tank for every M-60A1 delivered from US stores.

We need action, Baker says on Mideast talks

WASHINGTON, Feb 23, (AP): Israeli Foreign Minister Moshe Arens arrived yesterday from Mexico for a meeting with Secretary of State James Baker on prospects for opening Mideast peace negotiations.

Baker has tried for months to arrange a three-way session here with Arens and Egyptian Foreign Minister Elmar Abdel-Meguid. His plans call for such a meeting to be followed by peace talks between Israeli and Palestinian representatives.

But Baker told the house foreign affairs committee yesterday that the agenda and the composition of a Palestinian delegation remained unsettled.

"You measure progress in the Mideast in very small steps," he said. "I'm going to continue to remain engaged as long as there is some hope for moving the process forward."

"But we need to — we really need now to start. We need action. We've done a lot of talking. Maybe we can do some more talking. But the time for action is coming very, very close."

Meanwhile, Shimon Peres, the Israeli Finance Minister, told the US television network CNN in an interview that the PLO has accepted a formula for a Palestinian delegation.

Peres, who heads Israel's opposition Labour Party, said it would be a one-PLO delegation including one or two Palestinians who were expelled from Israel and one or two who live in East Jerusalem.

"I do believe it is acceptable to the Egyptians, to the Palestinians and I do not see any reason why it should not be acceptable to us as well," he said.

Leaders of the Labour Party warned yesterday that they will bolt the coalition cabinet unless the right-wing Likud Bloc accepts within two weeks a compromise package to clear the way for preliminary peace talks.

Israeli Prime Minister Yitzhak Shamir, under pressure from Labour Party, his own Likud and the United States, has said he will not accept any ultimatum on steps towards Israeli-Palestinian peace talks.

AL heads towards Cairo

CAIRO, Feb 23, (UPI): Egypt has hosted its first official Arab League meeting since it was expelled from the organisation for signing a 1979 peace treaty with Israel.

Egyptian government officials said they saw the meeting of the Arab League Economic and Social Council (AESC) as a prelude to the eventual transfer of the 22-member Arab League headquarters back to Cairo from Tunis.

Egypt's membership of the Arab League was suspended in

March 1979, after late Egyptian President Anwar Sadat signed a peace treaty with Israel, and the League's headquarters was transferred from Cairo to Tunis.

"The meeting in Cairo is a step towards the return of the headquarters of the Arab League back to Egypt," a Foreign Ministry spokesman said.

Workers are currently renovating the building which accommodated the League, and painting its outside walls.

Israeli troops beat Arabs despite ban

OCCUPIED Jerusalem, Feb 23, (Agencies): A top Israeli army officer said in military court yesterday that troops often ignored orders barring the beating of Palestinian detainees and that he himself slapped a blindfolded Arab who was bound hand and foot, Israel Radio reported.

Lt. Col. Ephraim Pein, former commander of the elite Givati Brigade, testified to the trial of four Givati reserve soldiers accused of brutally beating two Palestinian detainees in the occupied Gaza Strip in February 1983. One detainee later died.

During yesterday's hearing, a defence attorney also cited previous testimony as saying that Gen. Yitzhak Mordechai, at the time the army chief in the Gaza Strip, beating a Palestinian who refused orders to clear a stone roadblock.

The testimony came a day after the release of a US state department report saying Israeli soldiers often ignored regulations and that many unjust killings by soldiers went unpunished.

Also yesterday, the army revealed it had captured three Palestinian fugitives in the occupied West Bank wanted for a series of attacks against Israeli targets and allegedly responsible for brutal assaults on Arabs suspected of collaborating with Israeli authorities.

Also yesterday, at least 13 Palestinian teen-agers were wounded by army gunfire in scattered clashes in the occupied lands, including a 15-year-old girl who was shot in the leg when trying to stop soldiers from beating her brother during an army raid in the town of Qalqilya, hospital officials said.



Masked Palestinians with swords and flags dance in celebration of the 21st anniversary of the Democratic Front for the Liberation of Palestine (DFLP). Israeli troops confined some 250,000 West Bank Arabs to their towns to counter a call for violent unrest. (Reuters wirephoto)

Sudan rebels release European relief organisation doctors, apologise

BRUSSELS, Feb 23, (UPI): A Belgian and a Dutch physician abducted in Sudan early this month by rebel forces have been released, a Belgian Foreign Ministry spokesman said yesterday.

The spokesman said Christine van Haegenborgh, 26, from Antwerp, Belgium and Martin Ruppert, 28, from Rotterdam, the Netherlands, arrived Thursday by plane in Nairobi.

The two physicians, working for the humanitarian organisation "Doctors Without Frontiers," were abducted Feb 2 from the southern Sudanese town of Malakal where they had been working in

the local hospital since May last year.

Witnesses at the time said they were taken north but there was no indication of any violence. Malakal was controlled by the Sudan government, but reports at the time said the two physicians were taken beyond a 20 km (12.5 miles) radius to territory apparently controlled by rebel groups.

A few days later, the Sudanese People's Liberation Army admitted they had taken them after a night raid on Malakal.

The SPLA apologised for what it said was a mistake and promised their release at

the earliest opportunity into an unnamed neighbouring country.

The Foreign Ministry spokesman said they were set free in southern Sudan following joint efforts by the Belgian and Dutch foreign ministries, Doctors Without Frontiers and the Belgian embassy in Nairobi.

"Our efforts were aimed at obtaining a safe outcome of the abduction," the Foreign Ministry spokesman said. "They are in good health and we take care of their repatriation by plane."

The spokesman did not want to specify

with whom the Belgian and Dutch authorities had negotiated the release of the two physicians.

At the time of their abduction, a spokeswoman for Doctors Without Frontiers said it occurred regularly that physicians were abducted to treat wounded members of rebel groups.

The Foreign Ministry spokesman was unable to confirm whether the physicians had been abducted for such purposes.

Doctors Without Frontiers announced today it had pulled its entire personnel out of Sudan.

Truce collapses

3 killed, 22 hurt in Beirut battle

BEIRUT, Feb 23, (AP): Rival Christian forces duelled with mortars and tank cannon in East Beirut today, shattering efforts to reopen roads and stabilise a ceasefire in the intra-Christian showdown.

Police said five 120mm mortar rounds crashed into crowded residential districts of West Beirut, close to the city's dividing Green Line, killing three people and wounding 22.

The Beirut Hospital, the closest to the stricken districts, issued an appeal through the Muslim Voice of the National Radio for urgent blood donations to cope with the flow of casualties.

The radio said that West Beirut, which has not been involved in the power struggle pitting renegade Gen. Michel Aoun against militia chief Samir Geagea, "always pays the price."

"Why was West Beirut shelled?" the announcer asked. "For what cause did these innocent victims fall?"

A police spokesman said a casualty report was not immediately available from the escalating duel in East Beirut.

By police count, the showdown for mastery of the 310-square-mile (800-square-kilometre) Christian enclave has killed 688 people and wounded 1,906 since it broke out Jan 30.

The toll included 34 dead and 171 wounded in West and south Beirut, which have been repeatedly subjected to shelling by the warring Christian factions.

The overall toll of fatalities also included 108 soldiers that Aoun's command reported as being killed in the fighting.

The Lebanese Forces command, in a communique, blamed the sudden barrage on gunners of Aoun's 19,000-strong army, saying they targeted its East

Beirut stronghold of Ashrafieh from tanks and mortar emplacements on the city's southeastern edge.

The communique said the barrage was an attempt to "block efforts to remove mines, reopen roads and disengage the forces."

But Aoun's radio said Geagea's 6,000-strong militia "never tried to reopen any road."

"While claiming they wanted to remove mines and reopen blocked roads, the gunmen were opening fire from sniping nests at residential districts defended by the army," the communique said.

The communique, broadcast by Aoun's Radio Lebanon, said Geagea's gunners shelled the army-held districts of Jurn El Shubbak, Tahwita and Sin El Fil.

The police spokesman, who cannot be named in line with regulations, said it could not be determined who provoked the barrage, the worst violation of a ceasefire.

Shells started crashing into Ashrafieh at 12:30 am (1030 GMT), almost half an hour after about 5,000 people gathered in the district's Sassine square and prayed for peace in Lebanon, police said.

■ A senior Lebanese government official told "Al Sabeah" that Israel has joined current attempts designed to resolve the Lebanese crisis, especially after the outbreak of the inter-Christian war in East Beirut.

The official said that Israel is proposing a political plan to reorganise the Lebanese society based on the establishment of cantons in Lebanon.

The government official said that the Israeli plan which has been presented to the United States, comes under the heading "United of Lebanese cantons" and provided for the establishment of expanded political decentralisation in five districts and for Beirut to remain an open and demilitarised city.

Arab stress on military co-operation

ABU DHABI, Feb 23, (Reuters): Army officers from 17 Arab countries, including Egypt and Iraq, have endorsed proposals to strengthen their combined military power, especially against Israel, delegates said yesterday.

"The proposals focus on how best to boost Arab military capability and on guarding against threats to Arab security," one delegate to the week-long meeting in Abu Dhabi, in the United Arab Emirates (UAE), said.

More than 50 officers, including generals, attended the closed conference organised by the Tunis-based Arab League.

Delegates said the proposals included establishing joint arms industries and military units, enforcing conscription and introducing military studies into schools.

The seminar also deal with national security, joint Arab military action and the Israeli

enemy," said Hisham Habab, Arab League chief of military affairs.

"The question always asked is what real military capability do the Arabs have. This question always perplexes our friends, our enemies and ourselves, and we are pained and disappointed," he said.

Arab armies have fought and lost four wars against Israel since 1948, Egypt, the most populous Arab country, has a peace treaty with the Jewish state.

Iraqi air force General Aliwan Abboud said Israel had military superiority over some Arab states but not all combined.

The last joint Arab arms industry project between Egypt, Saudi Arabia, Qatar and the UAE collapsed after the three Gulf states quit in protest at Cairo's treaty with Israel in 1979.

Iraq has one of the fastest growing Arab arms industries, including advanced missile and satellite technology.

Public protest mounts: Mujahedeen

Demos in Iran cities

ATHENS, Feb 23, (UPI): A Baghdad-based Iranian exile group said yesterday that scattered demonstrations against the country's ruling clerics were held during the past week in Tehran and other major cities.

The Mujahedeen Khalq organisation, which opposes the rule of the clergy in Iran, said: "In Isfahan, protesters set fire to tires and clashed with guards on Takmal Ismail street."

In a statement telecast to Athens, the Mujahedeen said scattered demonstrations were held in Shiraz, some 400 miles (640 km) south of Tehran, where people clashed with security forces.

Similar incidents occurred in Hamedan, some 200 miles (320 km) southwest of the capital, and while anti-government slogans appeared on walls in the northwestern city of Tabriz.

There was no immediate confirmation of the reports from official or independent sources.

Last week angry soccer fans, protesting the cancellation of matches in Tehran's two main stadiums, swept through the city centre yelling slogans against President Ali Akbar Hashemi Rafsanjani and spiritual leader Ayatollah Ali Khamenei.

Tehran residents said the crowds tore up a large picture of the late Ayatollah Khomeini and broke the windows of a department store outside which the picture was displayed.

The Mujahedeen said: "Continuing turmoil and clashes between the public and the regime's guards in Tehran's central streets in recent days have led to closure of shops," while on some streets shops opened for only a few hours a day.

MIDEAST BRIEFS

Visa restrictions

LONDON, Feb 23, (Reuters): The British government said today it would require Algerians, Moroccans and Tunisians entering Britain to have visas, because their arrival in large numbers had become a burden on immigration authorities.

"In the light of increasing operating difficulties with nationals of these countries," the government has decided the time has come for the UK also to require visas of all three nationalities.

Home Secretary David Waddington said in a statement to parliament.

Silver sale halted

NEW YORK, Feb 23, (UPI): Lebanon, claiming \$70 million worth of Roman silver was stolen from the nation, won a court order Wednesday to temporarily block Sotheby's from selling the treasure on behalf of a British lord.

Justice Carol Huff ordered lawyers for Sotheby's, the trustee of the Marquess of Northampton settlement, and Lebanon back to state supreme court in Manhattan on March 27 for a hearing on whether the order should be made permanent.

Sentence reaffirmed

NUCOSIA, Feb 23, (AP): A leading Iranian radical, today, warned Muslims who could kill author Salman Rushdie but he said that they were being un-Islamic, Tehran radio reported.

Leading figures in Tehran's radical camp have been getting media mileage over the past three weeks by reaffirming the late Ayatollah Khomeini's year-old death sentence against British author for his novel "The Satanic Verses."

Snowstorm toll 31

ANKARA, Feb 23, (AP): Snowstorms have paralysed eastern Turkey in a radical, today, warned Muslims who could kill author Salman Rushdie but he said that they were being un-Islamic, Tehran radio reported.

The semi-official Anadolu News Agency reported Wednesday that four people froze to death in the province of Mus while walking from town to town in the snow.

In a town near the Iranian border, two people died when an avalanche buried a village house, the dispatch said.

Demand quick polls

ALGIERS, Feb 23, (UPI): The Muslim Fundamentalist Islamic Salvation Front called on the government of President Chadli Bendjedid today to hold elections as soon as possible to break a monopoly of power in parliament by the ruling National Liberation Front.

An editorial in the pro-Iranian party's weekly magazine El Moudjahid (the saviour), said that if the government did not meet its demand for speedy general elections delays would cause "crises."

Israel admitted

GENEVA, Feb 23, (Reuters): A UN-sponsored arms conference has granted Israel observer status at chemical weapons negotiations for the first time, despite objections from Iran, Algeria and other Muslim countries, diplomats said today.

Most of the 40 member nations of the conference on disarmament felt it was important not to exclude any country if a hoped-for chemical weapons treaty is to be effective, the diplomats said.

Tunisia releases

TUNIS, Feb 23, (Reuters): Tunisia has released a militant Muslim student leader and about 25 other students held since Wednesday for questioning, a student spokesman said today.

Handwritten signature or mark.

Israeli economy affected by Arab boycott: Enezi

Manpower issue referred to Arab League

THE director of the Kuwait based Israeli Boycott Office in Kuwait, Ahmed Al Enezi speaking at a meeting held recently in Damascus said that several recommendations and amendments had been adopted which are aimed at developing boycott regulations.

The official said that the meeting had endorsed the revision of the previous boycott resolution and had decided to ban all goods that bore prohibited trade marks—irrespective of their origin.

With regard to the countries providing Israel with manpower, Enezi said that this issue has been referred to the Arab League Council and it is expected that relevant countries will be informed of the negative effects of this action with Arab countries and hinted that continuity could adversely reflect on the workforce of these countries in Arab world.

The official disclosed that the meeting had decided to lift the ban imposed on about 18 companies of different nationalities as these companies had agreed to comply with the Arab Boycott regulations. Further it has been decided to impose a ban on 22 firms who have violated the Arab boycott laws.

He went on to state that the Arab boycott had caused negative economic effects on the Israeli economy, by imposing an economic blockade against Israel by depriving the Zionist enemy entry into Arab markets. On the Arab level, the boycott provides protection to the Arab

economies from the Israeli economic invasion and added that politically, it is intended to keep the just Palestinian cause alive in the international community.

Enezi denied that Israeli goods are smuggled into the Arab markets and that the boycott had lost its effectiveness. He cited Israeli leaders demands to bring the boycott to an end as attesting to the validity of the boycott procedures.

The officials disclosed that the Israeli boycott offices in the Arab countries encourage the purchase of Palestinian goods by permitting them to enter into Arab countries, as these goods are produced in the occupied West Bank and Gaza Strip. However, he criticised some Arab countries for not strictly being committed to the recommendations adopted by the Israeli Boycott Office meetings. Enezi praised the co-operation and co-ordination prevailing among the Arab boycott offices.

292 set free in ND amnesty

KUWAIT, Feb 23, (Kuna): An Amiri Decree yesterday set free 292 prisoners, while if commuted sentences of 519 others on the occasion of the 29th National Day celebrations, it was officially announced here today.

Director general of the General Administration for the Implementation of Sentences and Jails Col. Fahd Al Yassin said that the 292 prisoners were released yesterday, while 519 will spend lesser time behind bars.

The freed persons covered by the Amiri Decree comprised 110 prisoners facing criminal charges, 128 who committed misdemeanors and 54 with traffic infractions. The numbers included 146 Kuwaitis, 133 men, five women, and eight juveniles.

Action Line

MY son's residence has been included in my wife's passport. She is planning to go for higher studies. I want to make a separate passport for my son. Can I sponsor my son?

Jerry
A MAJORITY of expatriates endorse the child's name in the mother's passport. Did you also do the same? Or did you get a residence permit for the child and had it endorsed in the mother's passport. If you got the residence permit, then it is simple. After making the child's passport, you'll have to get it transferred to the new document.

The rules say that if both parents work on visa No. 18 in Kuwait, either the mother or father can sponsor the child. If your wife is working here, and presumably you also have a job, then you can sponsor the child.

If your wife is not working, then a foreigner must be eligible under the salary requirements to sponsor dependents like wife and children. The minimum salary required is KD650 in the private and KD450 in the public sector.

MY wife is under my sponsorship and has a valid visa No. 22. She has delivered a baby in India. Kindly advise me what should be done to endorse the child's name in the mother's passport.

Mohammad Salman
A CHILD's name can be included in the passport by the authority that issued the passport. You'll have to go to the immigration department in India and have the child's name added to the passport.

After endorsing the child's name in the passport, you must go to the Kuwaiti embassy closest to your home and tell them that your wife intends to bring the child to Kuwait. They may give a temporary visa, or make an endorsement in the passport. If you do this, then you can obtain a visit visa for the child, and finally, the mother and child come to Kuwait; you can get the residence permit for the child.

It is essential to obtain a residence permit for the child. Many expatriates believe that if they get the "name" endorsed in the mother's passport, they don't need a residence permit for the child. A residence permit for the child is needed, under the immigration rules of Kuwait.

ISRA WA Miraj fell on Friday, Feb 23. All government and banks declared a holiday on Feb 24. Please advise if private companies staff are also eligible for such holidays?

Kaizar
ARTICLE 36 of the private sector labour law lists Isra Wa Miraj (Ascension Day) as an official holiday. It says that if the "work circumstances require keeping any labourer at work on any official holidays, (such labourers) shall be paid double wages." Double wages is normal daily salary plus an extra day's wages. The law does not specifically answer your query. Private employers normally use their discretion.

I CAME to Kuwait in April 1985 as a domestic helper on visa No. 20. After I finished my two year contract, I did not go back to my country but continued working in the home of my employer for three more years. I will complete five years service with my employer in April this year. Recently I received a telegram from my home, asking me to come immediately.

Do I have the right to ask for my roundtrip ticket or equivalent in Kuwaiti dinars? Can I ask for vacation salary—i.e. one month salary for each year of service?

Please quote the Kuwaiti law so that I can ask for my benefits.

B.B.
DOMESTIC helpers are not covered by the private sector labour law. They come under the civil law, which says that a domestic helper's employment, and his rights, must be in accordance with the contract. Do you have a contract with your employer? If yes, what does it say? If your contract says you are entitled to a roundtrip every two years, and a month's salary, you can ask for it. If it does not cover the question, then the matter depends on the goodwill of your employer. If he is happy with your service, and if he wants to give you a roundtrip ticket and five months extra salary, he may give it to you. It is advisable to talk to your employer in a friendly manner and explain your difficulties while asking him for the money and ticket. He may understand your problem and help you out.

If you are going home permanently, that is cancelling your visa, then you are entitled to get a one-way ticket home, according to the rules.

I AM a domestic driver with three children. I have been working with a family for the last one and a half years without any facilities, which were included in my contract. I am not getting my salary on time. I am a married man with children and I have to repay KD300 I paid to come here. Whenever I ask for my salary, I'm told it will be paid "tomorrow." But tomorrow never comes.

P.L.S.
PERHAPS, it would give you some consolation to know that you are not the only person who has not received his salary. A large number of domestic helpers—drivers, maids and houseboys—are not being paid on time, sometimes for as long as four months to two years. It would be advisable to talk once again to your employer and ask him in a friendly manner to give you your back pay. This is the only way in which you might be able to get your salary. Another alternative would be to seek your employer's assistance, and ask them to talk to your employer on your behalf.

If you have a problem drop us a line and we will try and answer your queries as best as we can. Write to Action Line, Arab Times, P.O. Box 2270, 13023 Safat, Kuwait or Fax your questions to us on Tel: 48-47-495.

GCC, EEC industrialists conclude co-operation talks

GRANADA, Feb 23, (Kuna): Industrialists from the Gulf Co-operation Council (GCC) and the European Economic Community yesterday concluded a three-day meeting here aimed at strengthening co-operation between the two groups.

Kuwait's Ambassador to Spain Jassem Mohamed Al Sabah who took part in the meeting told Kuna the gathering was a good opportunity for exchanging views on joint co-operation in industrial and investment domains the described talks as positive and fruitful.

Secretary-general of the six-member GCC Abdulla Bishara, Bahrain's Development and Industry Minister Yousif Al Shurawi, Board Chairman of the



Protection system contract

Kuwait has signed an agreement with the French Interior Ministry for a protection system of its land and sea borders. The agreement was signed by the Undersecretary of the Interior Ministry Mej. Gen Youssef Bader Al Khorafi with senior officials of the Exports Office of the French Interior Ministry currently visiting Kuwait. No details about the agreement were released. Picture shows Khorafi exchanging copies of the agreement with the French officials.

NEWS IN BRIEF

Amiri cables

KUWAIT, Feb 23, (Kuna): HH the Amir Sheikh Jaber Al Ahmad Al Sabah yesterday sent a cable of congratulations to the Amir of Qatar Sheikh Khalifa Bin Hamad Al Thani on the anniversary of his assumption to power.

HH also sent a cable of congratulations to Sultan Hassanah Bolkiah of Brunei on the occasion of his country's National Day.

HH Crown Prince and Premier Sheikh Saad Al Abdullah Al Salem Al Sabah also sent a congratulatory cable to Sultan Hassanah Bolkiah of Brunei on the occasion of his country's National Day.

The three health centres in Surra, Rigga and Mangal neighbourhoods will be opened on March 3, 5 and 6 consecutively.

Shamian reels

KUWAIT, Feb 23, (Kuna): Minister of Higher Education Ali Abdullah Al Shamian yesterday received at his office head of Egyptian youth sports higher council Abdul Ahad Jamal El Dein.

Shamian and his guest, during the meeting, exchanged views of bilateral relations and ways of boosting them in addition to issues of common interest.

UNHCR meeting

GENEVA, Feb 23, (Kuna): Under the chairmanship of Kuwait's Ambassador to Geneva, Sheikh Salem Jaber Al Ahmad Al Sabah, a delegation of Arab ambassadors today met with the United Nations High Commissioner for Refugees, Thornwald Stoltenberg.

Describing the meeting as basically a "good-will" visit and to congratulate the new high commissioner upon his assumption of office, Dr. Sabah said the Arab delegation assured Stoltenberg of their support and co-operation.

Asked whether the financial crisis facing the UNHCR was brought up, Dr. Sabah said that the high commissioner had indicated that he would be undertaking visits to a number of countries to urge greater contributions from countries so as to reduce the deficit facing the organisation.

Mitterrand visit

MANAMA, Feb 23, (Kuna): French President Francois Mitterrand starts a brief visit to Bahrain tomorrow, it was announced here today.

The Manama-based Gulf News Agency said that during his visit the French president will have talks with Bahraini officials on bilateral relations and a number of Arab and Gulf issues, particularly those relating to the Gulf Co-operation Council, the Middle East crisis, latest international changes and topics of mutual concern.

President Mitterrand is currently visiting Bangladesh following his recent visit to Pakistan.

Indian embassy

A PRESS release from the Indian Embassy in Kuwait has stated that the embassy will remain closed on Sunday 25th February, 1990 on the occasion of National Day of Kuwait.

Pak testing

THE Secondary School Certificate (SSC) Annual Examination 1990 of the Federal Board of Intermediate and Secondary Education, Islamabad will commence from 25th February, 1990 at the Pakistan School and College Rumaritha Centre at 07:30 hours. All regular students are advised to collect their roll number slips from their respective schools. Private candidates can obtain their roll number slips and date sheet from the principal of the institution that has forwarded their forms.

From the courts

Man gets 5 years, deportation for fraud

KUWAIT's Criminal Court has sentenced a man identified as Mustapha Jamal to five years in jail with hard labour to be followed by deportation.

The court was told that the defendant had forged three applications for resident permits for KD800 each. He had convinced the three that he was working as a visa representative (mandoub) and that they were legally sponsored. The forgery came to light when one of the sponsored three approached the sponsor for a transfer of residence. The sponsor promptly called the police and categorically stated that he had never sponsored the man. The forgery of the other two visas was subsequently brought to the attention of law enforcement authorities.

KUWAIT's Criminal Court has sentenced a man to three years imprisonment with hard labour and subsequent deportation on the charge of tampering with an official document.

The court was told that the victim met the accused at a popular cafe upon his arrival to the country. The accused invited the victim to stay with him in his apartment and then asked for his passport under the pretext that he had to hand it over to the landlord as guarantee for unpaid rent.

The court was informed by the victim that some of the contents in his passport had been altered. The convict confessed that he had handed over the passport to a friend who used it for illegal purposes.

A WOMAN was fined KD10 by the court after she was accused of giving birth to a baby girl and then with the help of her mother abandoning it in the Jahra desert.

The woman confessed to the court that she had remarried conventionally after she divorced her first husband, but hid the fact that she was already pregnant by her first husband. When the baby was born her mother took it and abandoned it in the desert. Security authorities subsequently found the body of the new born. Investigations led to the mother of the baby who had registered the child at a health centre.

KUWAIT's Criminal Court sentenced four different people to several different sentences and fines along with deportation.

The case was referred to the police by a defendant identified as Khaled (the first defendant in the case).

The court was told that Khaled had rented a flat in Abu Halifa and shared it with the accused identified as Ali.

Khaled claimed that Ali consumed alcohol at the flat and under the pretext that he needed space for his two wives who were to join him shortly, he kicked Ali out and changed the locks. He however brought a maid to his apartment pending the arrival of his wives and the court heard that he indulged in sexual intercourse with her.

The court was also told that Khaled entered the flat once to find that the locks had been broken open and his former flatmate was watching pornographic films with another defendant identified as Amer. Khaled reported the incident to the police who subsequently arrested the two and confiscated the films.

Ali and the maid however were sentenced to six months imprisonment each to be followed by deportation and Amer was fined KD10.

SECURITY men at Jahra Governorate have found fragments of the body of an Asian woman inside a power station in Jahra. The body was discovered by people of the area who were overcome with the foul stench of the decomposing body. They notified the police who recovered parts of the body. Security authorities have begun investigations and the body has been sent to the forensic lab.

Municipality to fire 1000 more cleaners

By Jamal Amin

KUWAIT Municipality has made about 3,000 labourers redundant over the past five years, mostly cleaning workers and is planning to dismiss 1,000 more in the coming fiscal year. Director of the Personnel Department at Kuwait Municipality Abdulla Al Khlaifi announced. He said that the municipality was paying about KD 7.3 million in annual salaries to these labourers and the amount to be reduced.

This would leave only about 1,500 labourers with the municipality and even these would be transferred to the emergency labour force and the slaughterhouses department, Khlaifi added. He said that the municipality was paying about KD 7.3 million in annual salaries to these labourers and the amount to be reduced.

MUSCAT, Feb 23, (AP): Conservation officials here have said they would vigorously crack down on desert poachers who smuggle rare animal and bird species out of the country for sale.

The move follows the jailing in December of four tribesmen caught tracking Arabian gazelles over the United Arab Emirates border. Conservation Department spokesman Yousif Al Baloushi said.

"Offenders will face six-month jail sentences and fines of up to 900 rials (\$2,320) for contravening environmental laws," Baloushi said.

Telecom tower to be ready in 1991: Gabandi

No construction problems

THE deputy chief engineer of construction projects at the Ministry of Public Works has denied rumours that work on the KD27 million Telecommunications Tower and Complex has ground to a halt because of the weakness of the soil.

Bader Al Gabandi said that experts had examined the soil in 1981, when samples were taken at a depth of 70 metres. These tests were made in co-operation with government research stations and Kuwait University, he added.

The concrete and iron used in the project were tested in Canadian labs and the designs of the 372 metre tall tower incorporated all the information, Gabandi said.

He added that foundation work began in May 1987 and the first concrete was poured from April 1988 to June 1988. The base of the tower is of 18 metres depth and 55 metres diameter.

The tower's basement consists of three floors of which one will be used as a water reservoir with a capacity of 400,000 gallons and the other two floors will be used to store equipment, Gabandi said.

Gabandi expects that the tower will be completed in February 1991 in time for the country's 30th National Day celebrations.

"A project of this dimension requires large amounts of time and effort," Gabandi said. Further he added, "the construction

of this telecom tower cannot be compared with the building of a housing complex."

"It takes 275,000 cubic metres of concrete, 2,700,000 kilos of iron and 2,420,000 of tempered steel to build the project," Gabandi said.

He added that after completion the Telecom Tower in Kuwait will be taller than any skyscraper in New York and will also be higher than the Cairo Tower which is 185 metres high. He added that the project is built on an area of 21,000 square metres.

The Telecom Complex main building will be merged with the present central telecommunications centre. Parking for 230 cars will also be provided.

Kuwait advocates support for intifada

UNITED NATIONS, Feb 23, (Kuna): Kuwait late Wednesday urged the international community in general and the UN Development Programme (UNDP) in particular to increase its financial support to the Palestinian people who are fighting to liberate their land.

Addressing the four-day special session of UNDP's governing council, Mariam Abdulkarim Al Awadi, assistant undersecretary in the Ministry of Planning, said Kuwait supports the proposal of UNDP's administrator James Grant to allocate \$12 million to the Palestinian people in the occupied Arab territories.

However, she added, "We emphasise the need to increase this support to the Palestinian people who started their intifada more than two years ago to put an end to the long-standing occupation of their land and to their extremely difficult living conditions."

Awadi also thanked the administrator for his efforts in facing last year's floods in Democratic Yemen and called for an increase in the amount allocated to deal with the problems resulting from that disaster.

Lax management in industry: Khaled

THE Minister of Commerce and Industry Faisal Al Khaled has said that the ministry is bent on implementing plans aimed at encouraging local industries in line with recently stipulated economic recommendations. He stressed the need to further promote the role of the industrial sector.

He said that the ministry has provided incentives to all national industries, but most industries fail to make any impact primarily because they are deficient in proper administrative management.

Speaking at the Kuwait Industries Exhibition at the Kuwait International Fair Grounds, Khaled said that local Kuwaiti industries have been able to develop and diversify to meet increasing local demand. He pointed out that the ministry is always ready to offer support to industrialists to improve their output.

Khaled toured the 65 different pavilions of the exhibition which displayed samples of Kuwaiti paper, wood, chemicals, petrochemicals, plastic, elastic, textile, leather wear, mining products, building materials and other industries. He lauded the high level and quality of local products and hoped these would soon replace imported products and be able to help the country be self-sufficient.

He made particular reference to the level of locally-produced building materials, foodstuffs, cooling and electrical industries, which, he said, complemented one another and competed with foreign products. Almost 100 per cent of the locally used cooling systems were manufactured completely in Kuwait.

Khaled called on the owners of existing industries to co-ordinate and co-operate among them to attain integration, avoid unnecessary competition, and seek continued refinement of their products.

Meanwhile, the assistant undersecretary for industrial affairs Ali Abdullah Al Bin Ali commended the objects displayed at the industrial exhibition, which he said reflected the level and quality attained by the local industries.

He said that the ministry is planning to build a permanent marketing centre for local products at the International Fair Grounds. He added that the allocated project site was 6,000 square metres.

Ali said that the project would include an information centre, a special exhibition for displaying local industrial products, a centre for local industrialists and businessmen, government public service offices and facilities.

He said that the recently-built quality-control lab performed three main tasks which included the enforcement of approved specifications, by which no imported products would be admitted into the country if it failed to meet standards.

He added that lab would issue certificates stating the quality-level of any commodity offered for testing, and that accordingly dealers who trade in commodities failing to meet with approved standards would be liable to legal responsibility.

He also said that the lab undertook to offer official confirmation of abidance by approved specs for local industries and factories, which would enable the protection of consumer commodities.



PCIB officials visit Kuwait

THE delegation of Philippines Commercial International Bank visited their correspondent IZ Company for Exchange's office during their recent trip to Kuwait. Picture shows PCIB and IZ Exchange officials. (Left to right) Iqbal Rizvi, Eudardo Nery, Khalid Jamil, Rene Paronilla, Ralando Rodriguez, Candido Santico and Mansoor Khan.

Oman to crack down on desert poachers

what has been going on."

Other prime targets, he said, were the Nubian Ix and the Houbara bird, known biologically as Macqueen's Bustard, a resident breeder the size of a goose.

Poachers caught them live and exported them to neighbouring countries where there was good price for the live animals and birds, he said.

"It appears there is a ready market for rare species like gazelles, which are said to fetch

around 500 rials (\$1,300) apiece for private zoos," Baloushi said.

The Arabian White Oryx, extinct in the wild before it was reintroduced to the stony Oman central desert preserve at Yalooni in the Jiddat Al Harasis, was not threatened, he said.

"The range wardens in the Jiddat are active and the Oryx are well guarded and protected. Elsewhere, though, we are bolstering our conservation patrol efforts," Baloushi said.

"If we do not act now it will be

too late. We are talking here about species of animals and birds are almost extinct, existing only in Oman. It is a global issue in that respect."

Government notices published in the local press on the orders of Oman's ruler, Sultan Qaboos, warned that the hunting of rare birds, deer and other wild animals was prohibited.

The notices said police would maintain strict border surveillance to apprehend the violators.

ARAB TIMES

Thought for today

NOTHING in life is to be feared. It is only to be understood
— Marie Curie, Polish-born scientist (1867-1934).

East bloc inspires Reform winds sweep Nepal

KATHMANDU, Nepal, (AP): A movement to restore political pluralism has gripped the Himalayan kingdom of Nepal, pitting its Harvard-educated monarch against two banned political parties inspired by the changes sweeping Eastern Europe.

Clashes between police and demonstrators demanding end to a 29-year-old ban on political parties have claimed at least 11 lives this week in usually tranquil Nepal.

Arrested

Activists claim more than 1,000 people have been arrested in the government crackdown on the Movement for Restoration of Multiparty Democracy. The government says 175 people have been arrested since Sunday when the campaign was launched — for the third time in 11 years.

"I think this time the government is shaken," said a Western diplomat who spoke on condition of not being identified further. "They have realised that bullets and tough talk won't make the problem disappear."

Leading the agitation are the banned coalition of left-wing parties and the Nepali Congress Party, which governed the country during its only two years in history as a Western-style democracy.

"For the last 29 years we have faced atrocities," said Hari Bol Bhattarai, a senior member of the Congress Party who has evaded arrest. "It's time to get rid of the system, bring in a fresh system."

Bhattarai, who spoke in a telephone interview from an undisclosed location, said the movement would continue until the government gave in. "We have waited enough. Now we won't give up until our demands are fulfilled," he said.

Nepal has witnessed startling political events since the Shah dynasty began its rule in mid-18th century. After almost a century on the throne, the Shahs were reduced to titular heads by the Ranas, who established a parallel line of hereditary prime ministers.

In 1951, King Tribhuvan of the Shah dynasty and the Nepali Congress Party overthrew the Rana prime minister and established a democratic constitution under which the monarch and an elected government were to share power.

Elections

The country's first general elections were not held until eight years later, as Tribhuvan and later his son King Mahendra appeared loath to accept the role of a semi-titular head of state.

The Congress Party was voted to power in 1959, but Mahendra dismissed its government two years later and banned all political parties, accusing them of corruption and misleading the nation.

That ban still stands, notwithstanding agitations and violence in 1979 and 1985. The 1979 movement led to a historic national referendum the next year, in which the people narrowly voted to retain the country's non-partisan Rashtriya Panchayat, or national assembly.

Analysts say one reason for the people voting for a partyless democracy was the assurance by King Birendra, Mahendra's son, of greater political freedom and genuine representation in the assembly.

"We thought we would have it good either way," said Debendra Raj Pandey, a political commentator. "But we remained where we were. The palace still runs everything in this country."

"The legislators are voted with the government's support. In effect, the prime minister is chosen by the king," he said.

The government says the 1980 referendum is still valid and the will of the people will not be changed.

"Nepal follows the middle path," said chief government spokesman Radhey Shyam Bista. "We rejected the one-party system of our northern neighbour, China, and the multi-party system of our southern neighbour, India."

"For us the monarchy is the only institution. Democracy can only grow with the co-operation of the monarch," he said. He credited 44-year-old Birendra, a graduate in political science from Harvard University, with ushering in "remarkable progress" in the mountainous kingdom of 18 million people, one of the poorest countries in the world.

Population

According to government figures, life expectancy has risen from 38 years in 1960 to 47 at present and about 70,000 Nepalese now receive university education.

Still, have the population lives in poverty, with a per capita annual income of \$150. More than 70 per cent of the population has no safe drinking water.

"I trace all economic problems to the political process," said analyst Pandey. "It's a feudal economy and there are little fiefdoms everywhere with no regard to the people's needs."

Economic problems apart, the tone of the demonstrators appears to be getting more strident, and they have increasingly aimed criticism at the king, which is a punishable offence.

"Our king is trying to kill democracy," said Rishikesh Shaha, a former foreign minister, who fell out with the palace and left for India on Feb 7, saying he feared he would be arrested.

"He is trying to put the clock back... at a time when around the world the voice of freedom, the voice of democracy is getting stronger and stronger," Shaha said in an interview in the Indian capital, New Delhi.

"You just can't talk about him. You are required to worship him. But the pro-democracy movement has gone very deep down into the hearts of the people," Shaha said.

"There is no question of turning back."

TODAY IN HISTORY

1525 — Spanish Army, using muskets for first time in war, route French and Swiss forces at Pavia, Italy, as 14,000 men are slain in battle.
1530 — Charles V is crowned Holy Roman Emperor and King of Italy by Pope Clement VII at Bologna — the last imperial coronation by a pope.
1650 — Duke of Guise is killed at Orleans in French civil war.
1656 — Spain declares war on England.
1824 — Governor-General of India declares war on Burmese after the British East India Company territory is violated.
1825 — Egyptian forces begin landing in Morea, Greece.
1826 — By treaty of Yandahou, ending Burmese war, Burmese pay indemnity and British resident is established at Ava.
1891 — China pays indemnity to Russia for return of Ili valley in northwest China.
1920 — Nazi party is organised in Germany.
1945 — Egypt's premier Ahmed Pasha is assassinated after announcing Egypt's declaration of war against Germany; US troops liberate Philippine capital of Manila from Japanese occupation during World War II.
1962 — At least 25 people, most of them Muslims, are slain during terrorist outbreak in Algiers.
1966 — Coup by armed forces of Ghana deposes president Kwame Nkrumah while he is out of country en route to China.
1986 — US President Ronald Reagan requests that president Ferdinand E. Marcos of troubled Philippines step down after 20 years in power.
1989 — Japan's Emperor Hirohito is buried in misty forest after world leaders pay final respects.

Western isolation dreaded

Iran calls for release of hostages

NICOSIA, (Reuters): A call from Tehran for the release of Western hostages in Lebanon indicates Iran's fears that changes in the Eastern Europe are uniting the superpowers against it, political analysts said on Thursday.

The pro-government Tehran Times, in an editorial on Thursday, called unequivocally for the unconditional release of all captives. It lamented that the hostages had become a propaganda weapon for the West against Iran.

The hostage-taking, which the West blames on Tehran and its Lebanese surrogates, has been a major hurdle to improving Iran's relations with the West.

Releasing

Several reports have indicated Iran received money and arms in return for releasing American and French hostages over the past few years.

Iran denies a direct role in the abductions but admits to having a degree of influence over kidnappers of 17 Western hostages, including eight Americans and four Britons.

Analysts said the Tehran Times' call was significant because it followed President Ali Akbar Hashemi Rafsanjani's gloomy assessment of greater pressures on Iran from increasingly united and largely hostile world powers.

It also came after talks in Tehran with senior officials of Hizbollah (party of God), the Shiite Muslim group widely believed to be behind the kidnappings of Westerners in Lebanon.

"I wouldn't expect an early return of the hostages, but the (Tehran Times) article takes on added meaning when you put it next to what Rafsanjani said the other day," one analyst said.

Speech

On Tuesday Rafsanjani, in a speech to parliament, said changes sweeping Eastern Europe may well make Iran more vulnerable.

"Many of the opportunities that independent nations had to make use of confrontation of big powers are vanishing," he said.

"Confrontations are turning into understandings which, in general, would give more leeway to those who are hostile to us."

The analysts said Rafsanjani's assessment could push Iran towards seeking a quick end to the hostage crisis to get on with the task of rebuilding its economy.

But he noted that previous Rafsanjani initiatives



to resolve the crisis had faltered amid opposition by hardliners such as former Interior Minister Ali Akbar Mohtashemi, who has close links with Lebanese militants.

Another Iranian analyst said the key element in the Tehran Times editorial was its admission that the hostage issue, whatever its original benefits, was now hurting Iran.

Perestroika hurting Muslims

JEDDAH, Saudi Arabia, (Reuters): Soviet leader Mikhail Gorbachev's political reforms pose an acute dilemma for leaders of the world's one billion Muslims.

They welcome Gorbachev's perestroika (restructuring) and glasnost (openness) because they make for a better life for Muslim communities in the Soviet Union.

But the prospect of a mass exodus of Soviet Jews, mainly to Israel, strikes at the heart of traditional Muslim support for the Palestinian struggle for national rights.

Political analysts say Muslims and Arabs are trying not to antagonise their traditional allies in

Moscow in any way that might adversely affect Muslims living in the Soviet Union, while seeking to ward off the spectre of a "greater Israel" made possible by a sudden influx of Jews.

Perestroika

I must say that we are satisfied with perestroika... enabling (Soviet) Muslims to express their views and practise their rites," said Hamid Al Gahid, secretary-general of the 46-member Organisation of Islamic Conference (OIC).

But he told a news conference in Jeddah this month that Jewish emigration was "the most serious situation which the (Middle East) region faces now and in the future as it is intended to bring about a

basic demographic change." Muslim countries fear the 1.7 million Palestinians living under Israeli occupation may eventually be swamped by Israeli settlements, reinforced by a huge influx of Soviet Jews.

The Palestine Liberation Organisation (PLO) and the Muslim world view the Israeli-occupied Gaza Strip and West Bank as the site of a future Palestinian state.

The PLO this week warned that Israel's settlement of 200 Soviet-Jewish immigrants near the West Bank town of Nablus was "an act of war" which would provoke retaliation.

Letters to the editor

South Commission

SIR: South Commission is pragmatically keeping the Third World flame alive.

Julius Nyerere, the chairman of the South Commission of the Non-Aligned Movement, is a dynamic force. After years of service to Tanzania as president of the republic, he assumed the presidency of the South Commission in 1987.

He came through Kuwait the other day to attend the preliminary meeting for the South-South Commission.

His services to the South are commendable. The establishment of the South Commission has a lot to do with the personal interest of Nyerere. He has always been a great contributor and personally shown keen

interest in the South. The commission set-up has been talked about for the last 25 years and the one thing preventing it from taking place was the idea that Southern countries would not put their money where their mouth is, as once formed, it is one of the few organisations still flying the flag for developing countries, especially when we see that the talk of the new international economic order and the Third World concept is really fading. It is nice to see the workings of the South Commission who has the ambitious task of charting a way forward for developing countries after what is widely regarded as the "lost decade" of the developing nations.

The South Commission most probably will establish into a permanent commission as a counterpart to the Organisation for Economic Co-operation and Development, which acts as a sort of a secretariat for the industrialised countries.

In absence of a permanent secretariat for developing countries in international conferences, the position of developing nations is quite weakened. Even the strongest developing nation cannot match the political and economic clout wielded by OECD members.

One of the recent contributions to the South Commission was when at a conference of General Agreement on Tariffs and Trade (GATT), the commission issued a briefing paper which outlined the issues at stake and their implications for developing countries.

Conference

The commission paper helped the developing nations' ambassadors in Geneva at the GATT conference, as it pointed out the industrialised countries' demand for open markets were in fact a charter for multinational and transnational to act even more outside the control of host governments than they do at present.

The commission is, however, at pains to point out that it is a doer. They don't want their reports to end up in bureaucratic cycles.

The commissioners representing 28 countries are all from Economic South and all its funds have been provided by 50 developing countries, even a small country like, Burkina Faso, contributed.

The present committee meeting in Kuwait was aimed at giving priority to South-South trade and highlighting issues of environment which affect the developing countries.

Dr Manmohan Singh is the secretary-general of the commission. In his own words he talks about commission work "through a continuous communication effort."

The commission is also working on the transfer of technology from the North to the South and, in this field, the influence of Commissioner Abdul Salaam, Nobel prize winner in physics from Pakistan, cannot be denied.

According to Dr Singh, the commission aims to be radical in addressing the current buzz words of "self-reliance, equity and sustainability," but will be practical in its approach. In light of this pragmatic approach, self-reliance will not mean autarchy, but building up the ability to withstand external changes

and shocks. Equity does not mean absolute equality but rather covering basic needs for all, together with a determined effort to reduce inequality.

The task of representing developing countries on the diplomatic front is taken up by Nyerere. Commenting in 1989 on the inaugural address of President Bush of his country's mission to "make gentler the face of the world" and "of opening the door to prosperity," Nyerere very eloquently proposed in his words, "Will the door to prosperity be open to make the world gentler for the poor?" He has, since then, become champion to the cause of the poor bringing to the notice of the industrialised world the economies that have crumbled and living standards which are steadily declining.

He has highlighted the cause of the sub-Saharan Africans who have specially been hit the hardest by man-made and natural disasters. The declining of life expectancy, hunger and malnutrition, and death of half a million children last year, declares Nyerere, is all due to the economic conditions of the South.

Disparities

On the economic disparities, he has proclaimed the existence of a debt-trap which the developing countries have been caught in. Rising interest rates and falling prices of commodities are increasing the deficits. Nyerere declared that the current level of debt service by Southern countries cannot be maintained even by starving their children, especially, with the import curbs imposed by the rich countries that have blocked trade.

The structural adjustment programmes or belt-tightening has virtually killed the growth. He urges reversal of \$31 billion flow to rich countries, and is a vehement opponent of rising interest rates which make the debt problems worse.

In a meeting with the creditors, he has championed the cause of reversal of the huge flow of money from poorer countries to the richer ones. Nyerere rightly points out that, before 1980, money tend to flow from rich countries to poorer countries. Now, it has shrunk and flow from poor countries to the rich is mostly in the form of principal and interest payments on the Third World \$1.3 trillion debt.

According to the South Commission report, the cumulative net transfers from the Southern countries to the industrialised nations since 1983 has come to a staggering \$135 billion.

As a solution to the above, a proposal was made by a group of 24 that, IMF issues \$39 billion worth of its own currency, Special Drawing Rights (SDR), which should be allocated to the poor countries that need it most instead of distributing it under the present rules (meaning that more than \$7 billion would go to the United States and about \$2 billion to Japan and smaller sums to other countries down the line).

The rising interest rates in the industrialised countries would raise the cost to the debtors by \$16 billion in 1990 alone. Sometimes this rise of inflation rate is encouraged by industrialised countries' central banks to hold back the domestic inflation. This is overall — the depressing commodity prices have caused a loss of \$15 billion annually for the Southern countries. According to Nyerere, "The Economist" of London called this a gift from the poor to the rich.

The South Commission, under the chairmanship of Nyerere, urges the developing nations to accept the main responsibility of securing growth of Southern countries, not by slashing the prices of the commodities the poor nations export.

Markets

According to Nyerere, "The trouble is that markets seem to work in different ways for developing and industrial countries, for what the South sells and for what it buys. For what we sell — coffee, banana or fibre — we have to take the price that market sets. But for what we buy — tractors for farms, machinery for industries, medicines for hospitals — we have to accept the price set in the industrialised countries. The prices

of industrial items manufactured in North, year by year, keep on increasing, whereas, the commodities' prices keep going down. Year by year, we have to sell more bales of cotton per tractor, more kilos of tea for one irrigation pump."

In presence of these inequalities, the South Commission, is helping the developing nations through a practical approach. Nyerere is fighting for the cause of the poor of the world. He, in his own words, says, "We don't need charity, what we need is a fair chance."

He asks the industrialised world that the door of prosperity must not remain closed to the poor of the world as the key is not in their hands.

His Highness the Amir of Kuwait, Nyerere, and President Francois Mitterrand are the three world leaders who are keeping the hopes of the billions of poor alive by advocating the cause of debt relief through the forum of OIC, United Nations and other international bodies.

I believe that these leaders recognise that 70 per cent of the world population faces grim economic challenges in the coming decades, and in an effort to avert disasters, the developing nations must get together and make profound cultural, political and social changes for which the industrial world should extend their co-operation.

Last but not the least, the role of Kuwait Fund for Arab Economic Development and ex-finance minister, Abdul Latif Al Hamad, in conducting the South Commission meeting here needs appreciation of the highest order.

Iqbal Latif,

Kuwait.

TV programmes

SIR: I am a regular viewer of KTV 2 programmes and enjoy almost all the programmes.

I saw recently the following family stories shown and enjoyed them and I would like to see more family stories like the following:

- 1) May Be Baby
- 2) Alice Doesn't Live Here Anymore (Cine Club)
- 3) Miss Annie Rooney
- 4) The Shiralee (Best Seller)

The Roving Report is always shown before 7.00 pm and I feel that most of the viewers would not be at home before 7.30 pm. So I will be happy if "Roving Report" is shown after English news and I don't know why they have shifted this programme ahead of the news.

I have also observed that English news is shown for only 20 minutes as news is vital part of the TV programmes. I will be happy if the authorities allot more time for news.

There is no musical programme on TV. Some years ago KTV was showing pop music on Thursday nights for an hour. I request the KTV authorities to include some English music programmes also.

I have noticed the programmes have been greatly improved on KTV.

Peaceful land of Kuwait is celebrating National Day this week and I take the opportunity of conveying my congratulations to our leaders and I wish that future years will bring more prosperity, peace and happiness to Kuwait.

Long Live Kuwait and its people.

H.S. Rao,

Kuwait.

ALL Letters to the Editor must contain the writer's name and address. Publication is at the discretion of the Editor and letters are subject to the editing process for space or other reasons.

PM reflects Irish unity

DUBLIN, (Reuters): Watching the Berlin Wall being torn down live on television, Irish Prime Minister Charles Haughey could not help wondering "why not us next?"

Reflecting on the two Soviet cosmonauts who returned to Earth this week from five months in space, he thought how astonished they must have been at the changes since they left.

"As somebody who comes from a divided country, a partitioned country, I must have a sentimental attachment to the idea of German unity," he told Reuters in an interview to mark Ireland's current presidency of the European Economic Community (EEC).

"All over Europe they are showing what can happen when barriers are thrown down that have kept people apart. Surely we in Ireland should take a lesson from that and see if we could not tear down the barriers of mistrust and prejudice that have kept us apart," he said.

Unity

The outlawed Irish Republican Army guerrilla group has battled for 20 years to end British rule in Northern Ireland and unite the province with the Irish Republic. Almost 3,000 people have died in this, one of the world's longest-running guerrilla conflicts.

Haughey, a fervent nationalist who has branded the British province an "unhappy emerald," said "My ideal of course would be a unified Ireland as part of a broader European unity."

But he is reluctant to tarry long on Northern Ireland. It is the wider European stage that engrosses him now, the fast-changing pace of history in the making that intrigues him.

"Those Soviet astronauts went up into space when the Berlin Wall was still there and looked immutable, when communists were in complete control of the governments of Eastern Europe."

"When they came back down to Earth, the Berlin Wall was gone and most of the Eastern countries are making heroic attempts to achieve freedom and parliamentary democracy. That little episode brought it home to me how rapidly things have changed. It looks like something out of science fiction."

With Ireland now EEC president and the US administration pushing for closer links with the 12-nation bloc, Haughey leaves his country for Washington talks with President George Bush.

He argues that Ireland, at present with 40 million Irish Americans, is ideally placed to act as a honest broker between the United States and the community. "I have got more influence in the United States than President Bush has," he quipped.

Any US anxiety about a protectionist "Fortress Europe" being constructed in the post-1992 single market has vanished, he said.

Improvement

"The present US administration wants to bring about a major improvement. Their policy is to deepen the relationship with the community," he added.

Haughey feels strongly that Bush is a man he can do business with. The same applies equally to Soviet leader Mikhail Gorbachev, whom he met for talks last year in Ireland.

"I think he is one of the most impressive people I would ever hope to meet without meaning any disrespect whatsoever. I would regard him as a very tough and experienced streetfighter and I mean that in the very best sense."

In a garrulous land where the art of conversation is almost a national treasure, the Sphinx-like Haughey, with his hooded eyes and quizzical smile, is a rarity.

An essentially private man, the self-made millionaire with his own private island off western Ireland does not cultivate press contacts. Britain's Financial Times newspaper remarked that he gave about as many interviews as North Korean leader Kim Il Sung.

The Irish either love or hate the man known as the Great Survivor because he has shaken off scandals and leadership challenges that would have felled most other politicians.

Opponents say he is a ruthless autocrat with lust for power.

Supporters applaud him as a populist with the roughish image of a streetwise man of the people. Party faithful sing "rise up and follow Charlie" at annual Fianna Fail (Soldiers of Destiny) party conferences.

After a decade as party boss and four stints as Prime Minister, Haughey, has won praise for steering Ireland's economy back on target after many years sliding into debt and stagnation.

But any talk of political epiphanies and the shutters came quickly down. Concluding a 43-minute interview in his office, Haughey laughed and said: "If you are going to ask me now if I am going to write my memoirs, I will cheerfully strike you."

Haughey concluded: "History is being made. My anxiety would be that we would all have the maturity to respond in the right way to these massive developments whether they are in South Africa, Eastern Europe or anywhere."

"It seems to me that we have been presented with a unique opportunity, a totally undreamed of opportunity to move the world into a new, safer, more prosperous period and I just hope we will have the capacity to rise to the occasion."

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Lawrence Little

BUSINESS SURVEY OF KUWAIT

AN ARAB TIMES SUPPLEMENT ON ECONOMY, BANKING AND INVESTMENT

Bank merger move vital: Sheikh Salem

Kuwait sets new goals

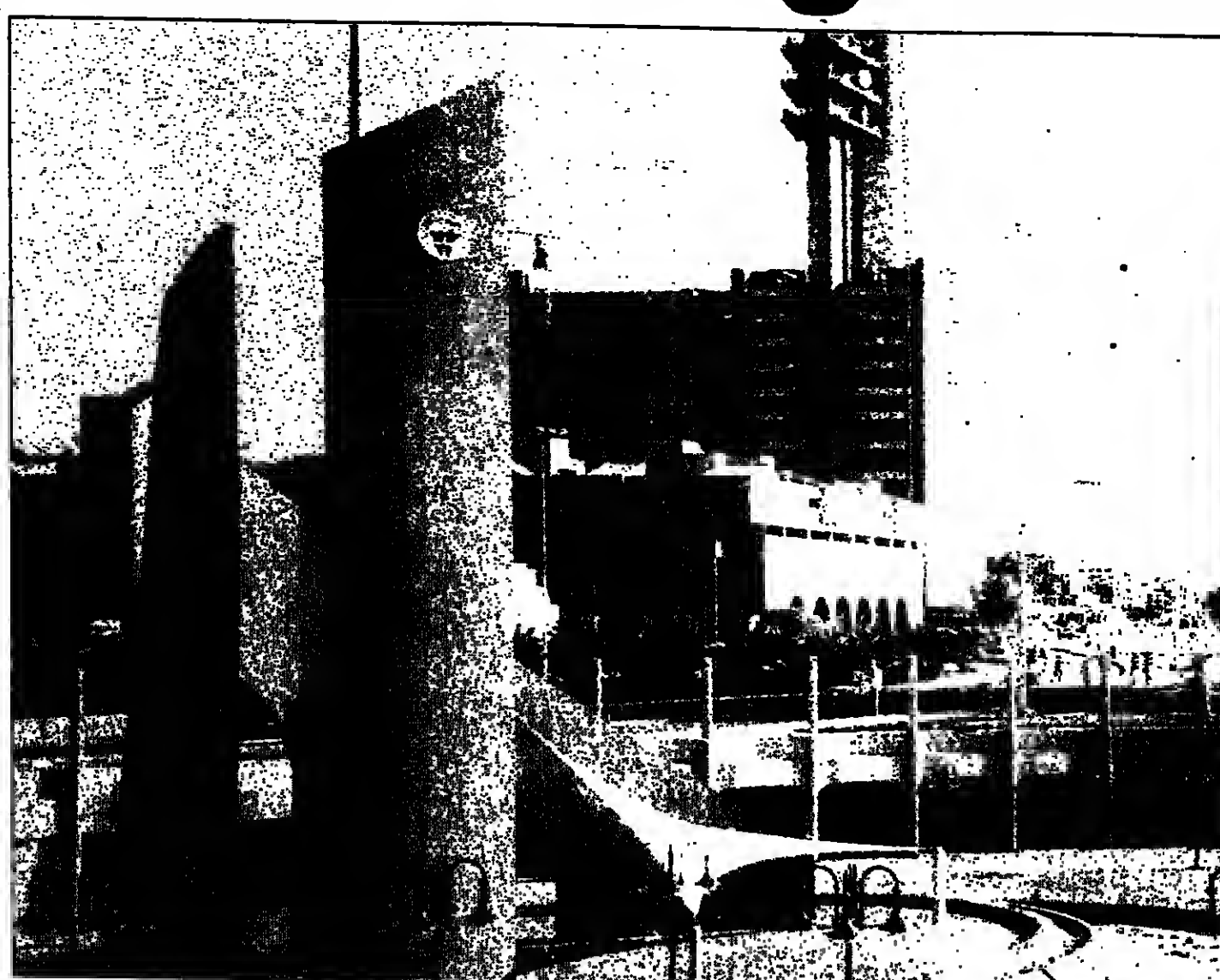
Minister hints at new industry law



Sheikh Salem Abdul Aziz Al Sabah

The Council of Ministers formed a committee headed by the governor of Kuwait Central Bank Sheikh Salem Abdul Aziz Al Sabah to co-ordinate with the various concerned bodies for the activation of the country's economy. The committee expressed hope on the amalgamation of efforts to crystallise constructive co-operation among all bodies to achieve the goals in activating economic cycle and boosting national economy.

M.C. Bose, the Business Editor of the Arab Times interviewed the Central Bank Governor last week. Here is the full text of the wide-ranging interview.



Safat Square: a new spirit lives on

Photo by Saeed Al Khalid

Question: There are signs that business confidence in Kuwait has been reawakened notably in the banking sector and financial markets. Are you satisfied with the pace at which this process is proceeding?

Answer: There is no doubt that our economy is based on solid and sound foundations. Recently the government has taken measures for the enhancement of the economic situation. Concerning the banking sector and the financial markets, confidence in them was reinforced as a result of various resolutions and measures taken to protect the system, especially the Difficult Debt Settlement Programme. This confidence has steadily increased due to the government's serious intention to activate the economic situation and tackle the banks' positions in a comprehensive way, as was explained clearly in the recommendations included in the Joint Economic Committee Report. Although I am satisfied with the performance levels of the banking system, I am still looking forward to achieve better levels.

Q: Kuwait has announced that it will write off at least \$100 million owed by investors to help commercial banks grapple with more than \$4 billion in bad debts. Could you explain this move?

A: I think you mean settlement of debts up to KD250,000. The Joint Economic Committee Report included various recommendations in this regard, including the settlement of clients credit up to KD250,000 through possessing their mortgaged assets and writing off these debts. According to the Central Bank data, the number of these clients about 2.5 per cent of the programme's total clients, whereas their debts amount to KD55 million, of which KD15 million are against collateral. This means the debts which will be cancelled after the bank's possession of collateral will amount to KD40 million.

Q: Do you also think this will lift a burden from about 50 per cent of individuals in the difficult credit facilities settlement programme and allow them to focus more clearly on current business opportunities?

A: Yes, I believe both the banks and the debtors will have a burden lifted from them. They will have the time and stability needed to focus on their business opportunities.

Q: The move is part of a blueprint for overhauling the country's economy and includes activation of the relatively dormant stock market and encouragement of the private sector and its role. What is your reaction to this?

A: As I mentioned in my answer to the second question, all proposals regarding improving the effectiveness of the Difficult Debt Settlement Programme, including the recommendations concerning settlement of debts up to KD250,000 and set-

tlements of the debts which exceed this amount, represent a package of measures which will be used along with other recommendations to activate the economy, including the activation of the stock market. Moreover, there will be other measures for the expansion of the private sector's role in the economy.

Q: There was a report that the number of debtors under the difficult debt settlement programme is about 1,350 debtors and establishments, about 542 per cent of them owe the banks only KD55 million. Do you agree with this?

A: I mentioned in my answer to the second question that the total of the clients' debts which do not exceed KD250,000 amount to KD55 million, and that the number of these clients is about 54 per cent of the total clients in this programme. These data were included in the Joint Economic Committee Report.

Q: Your Excellency, do you think it is necessary to carry out strict investigations in the financial positions of big debtors before applying any settlement to them?

A: The recommendations mentioned in the Joint Economic Committee Report pertaining to the improvement of the programme's effectiveness are based on the same rules and grounds of the Difficult Debt Settlement Programme. Therefore, settlement of clients debts, whether to the extent of KD250,000 or more, will be done according to reliable and well-investigated financial positions of the clients. This is a major condition for performing these settlements and one of the main pillars of the settlement programme.

Q: Kuwait exudes a new-found confidence and the overall growth prospects of its economy is rather good. Could you please comment?

A: As I mentioned before, confidence in the Kuwait economy is strong, and it is increasing as a result of the Joint Economic Committee recommendations, which emphasised the government's intention to activate the economic situation. In addition, the Kuwaiti economy has, in the last three years, achieved good growth rates in the some sectors, while other sectors have improved. Despite this, we aspire

to achieve better growth rates.

Q: There was a report that some of the local banks and financial institutions are planning to merge or integrate in order to strengthen their overall growth rate and cost cutting drive.

A: Perhaps you mean the report of the Joint Economic Committee which I referred to before. Among its recommendations, the report referred to the importance of evaluating the performance of many enterprises in order to decide on whether to merge them or enhance their capital base, or even liquidating the weakest companies. These recommendations apply to all companies, including banks and other financial institutions. The recommendations pertaining to improving the effectiveness of the Difficult Debt Settlement Programme pointed out the importance of bank mergers for cost savings or for establishing strong institutions capable of competing in the changing international environment.

Q: Do you think the merger move is vital to improve the performance of these banks? This move will also make some of the employees redundant?

A: Certainly, if the mergers are completed in an appropriate way and conform to certain standards, this will lead to positive results for the merged companies. It is not necessary that integration will lead to a redundancy in the number of employees. I think there could be more optimal employment for the present expertise and skills, and the integration will lead to a better redistribution of the manpower. On the other hand, it should be clear that the Kuwaiti working force in the banking system is of great importance to me, and it should not be negatively affected through the merger process. I have to emphasise here that it is a target for us to increase the percentage of Kuwaiti manpower to the banking system.

Q: If the integration process is proved to be real, the government should intensify its foreign operations through these banks on commercial basis. Could you please comment?

A: Mergers have no direct link to this. The Joint Economic Report included recommendation linking domestic financial institu-

tion to our foreign investments, without linking this development to bank mergers. However, if mergers lead to stronger, more competitive banks perhaps more public and private business will be done through them.

Kuna adds: Sheikh Salem gave reassurances about the health of the Kuwaiti economy and said the central bank was spearheading efforts to energize the banking sector.

Addressing a ceremony marking the inauguration of the renovated bank building, Sheikh Salem said the Central Bank is determined to do its share in the "quantum leap" that HH the Amir has called for in all aspects of life during the current decade.

He said the bank has a "clear vision" of what should be done to upgrade the banking sector but he added that meeting this objective necessitates that Kuwait banks be run on sound rules and by efficient management.

Sheikh Salem noted that the banking sector could have been in a better position now had it not been for the difficult credit facilities that were the product of the 1982 crash of the unofficial stock market.

But he underlined the success of the bank's difficult credit facilities settlement programme the overwhelming part of the problem had been solved.

Further steps will be taken in the near future, Sheikh Salem said and expressed hope they would yield fruitful results that would be felt by banks, clients and the economy in general.

Stressing that the banking sector was registering steady growth, the governor noted that the aggregate budget of Kuwaiti commercial banks rose from 4.3 billion Kuwaiti dinars in 1979 to KD10.9 by the end of 1989, at a growth rate of 150 per cent.

Private sector deposits, a fundamental economic barometer, rose over the same period from about KD2 billion to the neighbourhood of KD5 billion, he said.

Sheikh Salem said the surge in "the best testimony to the continued confidence in our banking apparatus and in the security and firmness of the national economy."

In the 12 years ending 1989 the Central Bank budget rose from about KD844 million to KD1.6 billion.

The rise reflected the central bank's growing role in the economic activities in light of its expanded dealings with the government and local and foreign banks.



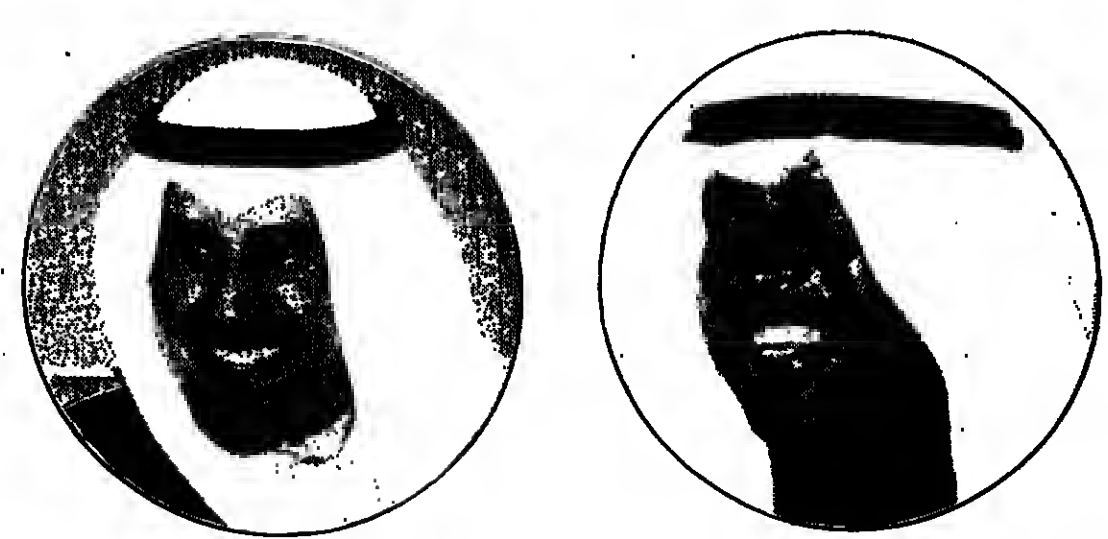
Al Khalid

ment funds system for trading by both the Kuwaitis and non-Kuwaitis.

He said the committee was planning to broaden the lease of participation at the stock exchange by allowing financial institutions to take part besides the individuals in the next decade.

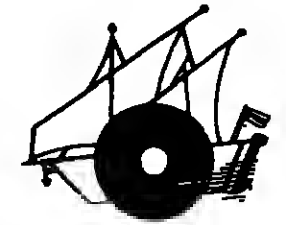
Speaking about the impact of the merger of some companies and the clearance of their budgets from bad debts on the future of dealing during the 1990s, Al Khalid said such a move would create a new well-equipped economic unit capable of accomplishing the objectives of its very establishment.

Al Khalid outlined that registration of Kuwaiti, Arab or foreign companies in Kuwait bourse was subject to certain measures stipulated in the decision by the committee on the issue, saying other companies which did not meet the conditions for registration in the official market could register in the parallel market until their financial situations were improved.



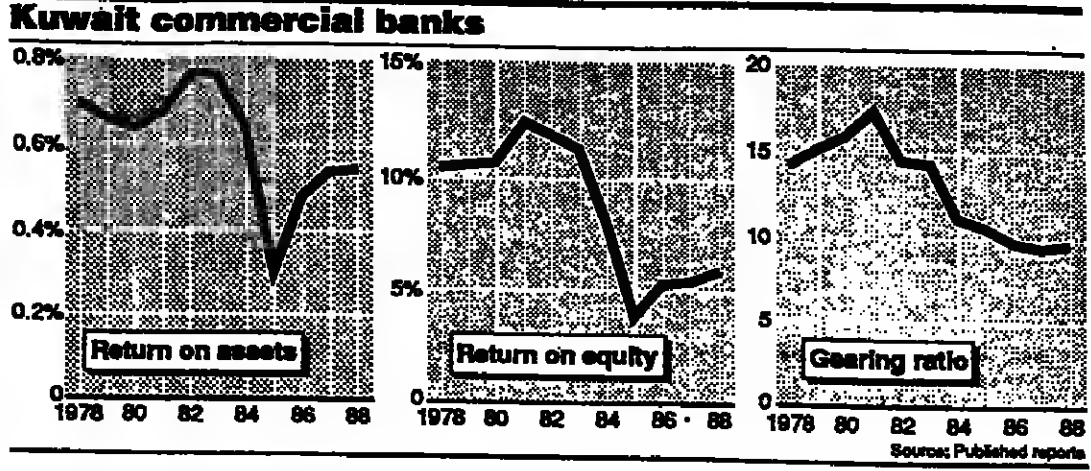
Heartiest Greetings

to
His Highness the Amir
Sheikh Jaber Al Ahmed Al Sabah
and
Sheikh Saad Al Abdullah Al Sabah
and
the Government and the People of Kuwait
on the occasion of the
29th NATIONAL DAY



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Looking forward to an era of prosperity and growth

Ambitious expansion plans



Dennis A. Stickley

DENNIS A. STICKLEY, the managing director and chief executive of Mohamed Naser Al Sayer and Sons Est has said continued comments are made with regard to the business environment of Kuwait both internally and externally and these are usually on the down side and not particularly optimistic.

To a certain degree, the majority of problems have been self-induced either by had management, lack of enthusiasm and a continuous trend of talking the business and the economy down. Recently one would have seen a very slight revival in the attitude and approach of both companies and customers to the domestic situation and a slight stirring and improvement in the environment.

Stickley said the business potential of Kuwait is possibly far greater than its neighbours particularly the most talked about being the United Arab Emirates. Because of an unwillingness to invest in domestic retailing businesses and small localised manufacturing units, due partially to the differences between Kuwait's two large neighbours has helped standards deteriorate below its neighbours who have continued to forge

ahead. This is particularly obvious in the motor and related businesses where the methods of retailing, servicing and supply of spare parts have remained comparatively stagnant over the last six to seven years.

The tremendous potential of a retailer or manufacturer within the motor and ancillary businesses within Kuwait are far greater than the majority of Gulf and near Middle Eastern countries with the exception of Saudi Arabia.

Stickley said with regard to Mohamed Naser Al Sayer & Sons Est the company has recently embarked on a very ambitious plan to bring its servicing and parts way ahead of its competition, both domestically and in neighbouring countries firstly by the introduction of sophisticated operating systems mainly based on online real-time computerisation and very heavy schedules of inhouse training utilising both internal and external expertise.

The total management structure of the company has changed within the last six months so as to bring it into the 20th century and again make it more efficient. The advantages to the customer will eventually be that the servicing of



Toyota showroom, Al Rai, Kuwait — a trend-setting facility.

a motor vehicle or the supply of spare parts will be less expensive than they are today and many times more efficient and reliable. Even to the purchasing of a motor vehicle this will be made easier and more comfortable to the potential customer.

"We look at the supply of tyres, batteries and ancillary items, these also will ultimately be supplied either directly through the company's retail outlets or through dealers at very competitive rates," Stickley

added. In the majority of areas customers have become used to a very sub-standard level of service, whether it be motor related or domestic supplies and services and it is necessary for companies of the size of Al Sayer and others to improve and raise that standard at least to a level which would be acceptable elsewhere in the world. The group of companies owned and operated under the name of Mohamed Naser Al Sayer & Sons Est are

dedicated to achieving this standard over the next three to five years and I would envisage that other companies will follow as the advantages would have seen in operating efficient businesses and that customers begin to demand a higher standard than they have been used to over the last few years.

Stickley said: "My assumption is that the Kuwait domestic market is beginning to turn upward and over the next five years will see some substantial

progress as the country becomes more commercially orientated. The biggest area of concern, is the loss of overseas trade and the very much diminished relationship with its traditional foreign traders and this must over the next few years be regained, this can only be achieved by allowing the import and export of goods from the country to flow freely and with as little bureaucratic influence as possible.

"For instance the establishment of a free trade zone within

Kuwait would go a tremendous way to easing and in improving the flow of trade between the state and the neighbouring countries. The encouragement of visitors to the country must also be seen as an ultimate goal for re-establishing Kuwait as a centre of trade for this area.

"The government, I quite appreciate had insurmountable external and internal economic situations to deal with and have handled the situation, to my view, extremely well over the

years and now that the situations are beginning to ease will, I am sure, allow for the expansion of business and trade both domestically and overseas.

"I believe Kuwait's future business prospects given the right direction are far greater than its Gulf neighbours particularly one particular country which seems, for the moment, to have progressed considerably in its world standing as a centre of trade and commerce for the area," Stickley said.



Lexus comfort means rich refinement. Finely upholstered, generously shaped seats offer smoothly contoured beauty as well as fatigue-free support. A feeling of well-being extends throughout the cabin, with tastefully upholstered trim, plush carpeting and numerous convenience features.



The relentless pursuit of perfection

Six years ago, Toyota began a relentless pursuit of perfection. It took 2,300 technicians, 1,400 engineers, 450 prototypes, 4.3 million test kilometres and hundreds of patents pending. The result was the Lexus LS400. The world's finest performance luxury Sedan.

Toyota industrial vehicles



Excellent Excavators

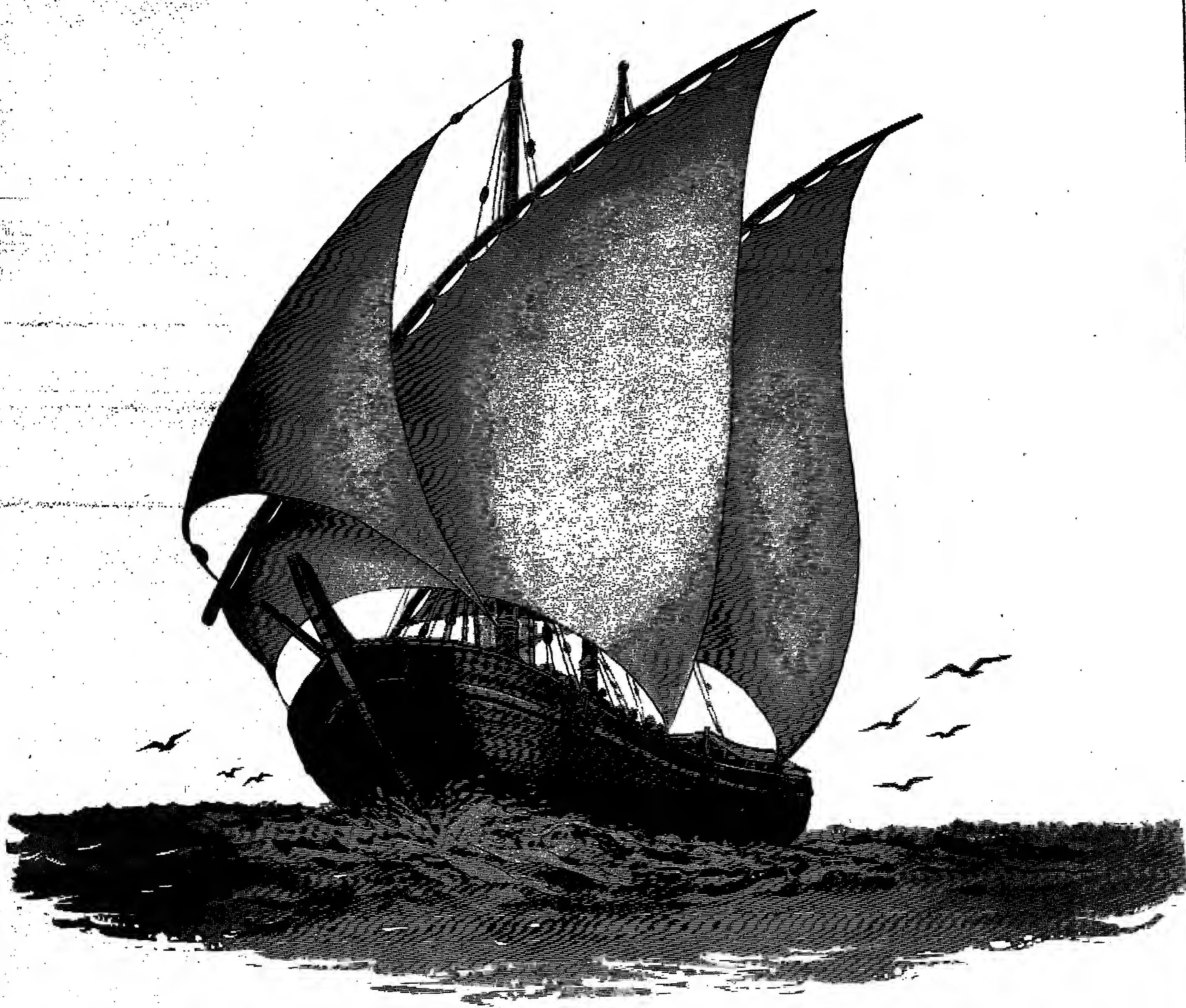
New Dimensions
in Motion



In addition to forklifts, Toyota offer a range of tough 4-wheel drive skid steer shovel loaders, conventional shovel loaders, gasoline, diesel and electric towing tractors, electric pallet trucks, aerial work platforms, and long, trouble-free years of service. These industrial vehicles are popular because they were designed to fit. Not only do they have the compact dimensions to fit into confined work sites, they also fit into budgets that are looking for maximum handling efficiency at minimal cost.

IN THE PAST...
Our cargo was priceless pearls

TODAY...
We carry good wishes
for the future prosperity of the people of Kuwait



Mohamed Naser Al-Sayer & Sons Est.

- Al-Sayer Soft Drinks Factory W.L.L.
- Bahrah Trading Company
- Kuwait Animal Feed Factory W.L.L.
- United Marketing Company

Committed to innovation: NBK



Mohammad Abdul Mohsin
Al Khorafi

By M.C. Bose
Business Editor

NATIONAL Bank of Kuwait (NBK) has had another record year in 1989 in terms of profitability and in achieving its strategic goals. The bank has recently announced net profits of KD35 million (\$120 million) for 1989 as compared to KD30.9 million (\$106 million) in 1988 and distributed 50 per cent cash dividends and 15 per cent bonus shares.

Mohammad Abdul Mohsin Al Khorafi, Chairman of the board of directors, NBK, told the Arab Times that the bank's consistency in achieving an outstanding performance can be attributed to several factors. Firstly, based on its essentially prudent business philosophy, the bank's policy has been to go after selective high quality assets, with a significant portion of its loan portfolio in the domestic market confined to the most productive sectors of the economy such as trade, construction and services. The bank also has an over 80 per cent market share in financing foreign businesses and contractors doing business in Kuwait.

Second, NBK has a solid clientele base in Kuwait and it controls nearly one-third of private sector deposits. It provides a wide array of services including trade finance, investment management, treasury services and traditional wholesale and retail banking. Its large network of 51 branches in convenient locations provides it with a competitive edge over other banks. Using its domestic base, the bank is also building up relationships

with prime clients around the Gulf. Third, the bank places strong emphasis on providing high quality services. Under its "relationship banking programme," the various services are delivered at the discretion of personal and private banking officers. Also, constant efforts are being made to innovate new products and services in order to meet the varied banking requirements of its clients.

Finally, NBK believes that banking is a people industry. Hence its approach involves developing a core of innovative and efficient bankers totally committed to the profession, so as to fully serve the interests of its customers. As a result, NBK's training centre has been gaining regional recognition for its efforts to develop the bank's human resources element.

Khorafi said NBK's main contribution in the last 10 years has been to finance, and act as an intermediary in, two major areas, viz. trade and investment flows between the Gulf and the rest of the world.

At present the bank has physical presence in London, New York, Paris, Singapore, Geneva and Bahrain. Ever since the bank started its overseas expansion, the strategy has been to establish an international presence only where it could clearly enhance its capability to serve the bank's customers in Kuwait and the Gulf. The bank's business in these centres caters largely to the interests of customers with whom the bank has had a long relationship and whose needs and requirements are well understood by the bank. Our strategy in international expansion is

thus based on the essential feature of Kuwait's dependence on foreign markets for its trade and investment. In order to meet this objective, the bank has recently introduced the Watani International Transfer System (WITS), which is a US dollar clearing system utilised by local and regional institutional clients to clear their dollar transactions through NBK's New York branch.

Replying to a question on the overall prospects about Kuwait economy, the chairman said the overall outlook for the Kuwaiti economy in 1990 is encouraging. While the post Gulf war peace and the relative stability in crude oil prices are seen as positive external factors, internally, the government's implementation of the recommendations of the Joint Economic Commission and the prospects for resolving the problem of non-performing loans, should provide a conducive environment for economic revival.

The measures suggested by the Joint Economic Commission are aimed at removing the difficulties confronting the non-oil sectors which contribute to nearly 60 per cent of the country's Gross Domestic Product. Measures such as increasing private sector participation in the implementation of housing projects, creating new investment funds, reviving retail trade legislation and improving the ports' procedures, as well as effecting a speedy decision to the introduction of free trade zones are expected to stimulate the activities of trade, finance and real estate sectors.

The recommendation for

increased protection from foreign competition will also provide some support to selected companies in the manufacturing sector. Further, the government's decisions to implement major projects such as the Sabiya power station, the Iraq water pipeline, and several other infrastructure projects and the increased emphasis on housing activity should help promote the contracting and trade sectors.

Khorafi said the Central Bank's Difficult Credit Facilities Settlement Programme has done much to restore confidence in the banking sector. Technically the banks have completed settlement agreements for about 99 per cent of deficit debtors. The most important aspect of this measure is that it managed to relieve the debtors of the uncertainty that had haunted them since the Souk Al Manakh crisis.

The programme also protected the banks from the overhang of non-performing loans through the Central Bank's guaranteeing of the banks' shareholders equity and depositors' funds. At the same time, the programme has necessitated that the Central Bank provides support to most of the commercial banks, except NBK, in meeting any deficit caused by the provisions required against re-scheduled debts.

It is in this context that the Joint Economic Commission has recommended the write-off of non-performing loans owed by small borrowers with less than KD250,000 loans. This measure will involve nearly 54.2 per cent of the total number of debtors registered under the Settlement

Programme although their debts amount to only 2.5 per cent of the total owed. This measure is expected to have some effect in inspiring confidence within the local business community.

Finally, with the banks freed from the administrative burden of most of the problem loans, one can hope to see their managements diverting their attention to the economy's more productive sectors.

Speaking about the opportunities for the banks in the Gulf, Khorafi said the prospects for an improvement in the performance of Gulf banks in the 1990s look better particularly as most of them have been able to overcome the problem of non-performing loans. As far as business opportunities are concerned, high income from the region's oil resources had provided many banking opportunities in the past, particularly those relating to the financing of imports, construction, and real estate. In the absence of such large lending opportunities at present, banks may have to strive hard to develop their banking business within their home market.

It may be noted that retail markets in some of these countries are not fully exploited. Commercial banks are intensifying their market research in order to better understand the banking needs of the customers of the region, and to develop appropriate products and services required by various segments of clients. Attractive possibilities have been identified in various types of deposit products, consumer loans and investment services.

Kuwait: Summary of Public Finance 1984/85 - 1989/90
(KD Million)

	1984/85 Closing Account	1985/86 Closing Account	% Chge	1986/87 Closing Account	% Chge	1987/88 Closing Account	% Chge	1988/89 Closing Account	% Chge	1989/90 Budget Est	% Chge
A-REVENUES	2745	2345	-14.6	1731	-26.2	2252	30.1	2368	5.2	2055	-8.6
1. Oil	2494	2095	-16.0	1484	-29.2	1991	34.2	2035	2.2	1789	-8.6
2. Non-Oil	251	250	-0.2	247	-1.4	260	5.4	333	27.9	266	-8.6
B-INVESTMENT INCOME	1154	2493	116.0	—	—	—	—	—	—	—	—
C-EXPENDITURE	3204	3107	-3.0	2860	-7.9	2807	-1.9	3000	6.9	3444	-3.4
1. Current	2426	2381	-1.8	2238	-6.0	2252	0.6	2521	12.0	2687	-4.5
a. Wages & Salaries	675	731	8.2	757	3.6	793	4.8	846	6.7	886	4.6
b. Goods & Services	382	298	-22.0	209	-29.9	220	5.5	222	0.8	264	-1.1
c. Transport Equip	21	20	-4.8	21	4.5	20	-6.3	20	0.0	28	7.7
d. Transfers	1348	1333	-1.1	1252	-6.1	1219	-2.6	1433	17.6	1511	-5.4
2. Development	628	656	4.4	502	-20.2	455	-9.4	379	-16.7	607	-36.4
Ministry of Pub. Works	176	218	23.9	174	-1.2	118	-32.2	112	-5.1	211	-20.4
Ministry of Electr.	366	305	-16.7	268	-12.1	283	5.6	204	-27.9	331	-36.8
Ministry of Communicat.	46	14	-69.6	21	-30.0	19	-9.5	12	-36.8	23	90.9
Other	40	28	-30.0	39	35.0	35	-10.3	51	45.7	42	-17.6
3. Land Purchase	150	161	7.3	120	-25.5	100	-16.7	100	0.0	130	30.0
D. Capital Allocations	305	265	-13.1	173	-43.7	225	30.1	237	5.3	205	-12.2
E-BALANCE	-439	-762	-66.0	-1129	-48.2	-555	-50.9	-632	-13.9	-1389	-54.5
1. Stricto sensu (A-C)	-764	-1027	-34.4	-1302	-26.8	-780	-40.1	-869	-11.4	-1594	-17.3
2. Official (A-C-D)	695	1731	149.1	—	—	—	—	—	—	—	—
3. Overall (A+B-E)	—	—	—	—	—	—	—	—	—	—	—

New-found confidence

Steady sustainable pace

By M.C. Bose

SHEIKH Ahmed Abdullah Al Ahmed Al Sabah, the Chairman and Managing Director of Borgan Bank has said we have entered the 1990s on a new note of optimism. The 1980s might be characterised by the Iraq-Iran war, regional recession, and falling oil prices. Now, the war is over, the regional economy is recovering, and oil prices are firmer. On a global scale, economic liberalisation in Eastern Europe, the prospects of an integrated EEC economy after 1992, and other developments all point to a stronger world economy over the coming years. In addition, the recommendations of the Joint Committee are positive for Kuwait. Among other things, the recommendations demonstrate the strength of the government's desire to reactivate the local economy. It is not surprising that Kuwait is exuding new-found confidence.



Sheikh Ahmed

government move to overhaul country's economy and activation of the relatively dormant stock and market and private sector role, the chairman said. Measures to protect local industry from outside competition have a less certain effect. They could result in Kuwaitis paying more than necessary for some goods and services—and in certain Kuwaiti companies lacking the expertise to compete internationally.

Reactivation of the stock market would follow naturally from a generalised economic recovery. The stock market in Kuwait is especially important for its position in collecting investment funds and channelling them to industry. Turning to merger move, Sheikh Ahmed said merging banks in Kuwait would reduce duplication of effort and introduce economies of scale.

This will probably — but not necessarily — result in scope for reduction in overall staffing levels. I expect that in large part the banks will be able to handle this through natural wastage. There is a natural turnover in expatriate staff as contracts are concluded and they move on to new jobs elsewhere. "I believe that the government already puts a good proportion of its foreign operations through the local banks. If they are efficient and competitive, then they will automatically win this business," the chairman added.

Talking about growth prospects of GCC banks he said many of the factors which will help Kuwait in the 1990s (a more peaceful outlook in the Gulf, a recovery in the regional economy activity and trade, and firmer oil prices) will also help GCC banks. Thus, their outlook for the 1990s has improved from that of the previous year. About Borgan Bank's future plans, the chairman said the main thrust of our current strategy is to expand our international operations in the 1990s. We are very aware of the changes that will result from EEC integration in 1992, from economic and social liberalisation in Eastern Europe, and from the startling economic growth of the newly industrialised countries on the Pacific rim. We intend to achieve direct international representative offices, branches or subsidiaries as appropriate.

We are also well aware of demographic and other changes taking place in the Kuwaiti economy, and we are actively training national manpower to meet the challenges of the 1990s. We hope that some of the changes mooted for Kuwaiti legislation will enable us to introduce new products for our clients in Kuwait.

Mild boost for Gulf economy

GULF economies are reaping some fruits of peace one year after the Iran-Iraq ceasefire but the boom predicted by many has failed to materialise, according to Reuters.

It was widely believed at the time that the ceasefire last Aug

20 would unleash a blitz of reconstruction, lifting the Gulf out of a five-year recession caused by a plunge in oil prices.

But inertia and lack of foreign exchange have slowed the engines of both Iraq and Iran, leaving many Gulf mer-

chants and bankers high and dry.

"When the ceasefire was announced, people overreacted. They assumed everything would happen overnight. Warehouses are still over-

(Continued on Page 15)

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Opec moving to comply with pact

OPEC President and Algerian Oil Minister Abdelhak Bousseba said the group was progressively implementing its latest output pact which sets a ceiling of 22 million barrels daily.

"Apparently countries are in the process of applying the accord progressively, and that has had an impact on the market," he told Algerian radio in an interview.

"There are countries which have not completely pulled back to their quotas, but for the moment all countries are in the process of respecting progressively their quotas."

He excluded the United Arab Emirates, which declined to sign the pact because it did not accept its output quota.

The accord, reached last November in Vienna, went into effect on January 1 and sought to strengthen world prices by cutting production by some two million barrels daily.

Algeria is a member of the eight-country Opec monitoring committee which is to meet in Vienna next month to assess implementation of the pact.

Bousseba said world oil prices had risen above the group's \$18 a barrel benchmark because of rising world demand.

There is a slight improvement in prices, and the conditions of

today are such that all things being equal we are not likely to see the difficulties of 1986-88," he said, referring to weak world oil prices during much of that period.

"There is now a certain pick-up, and a growing share for Opec oil," he said.

Bousseba automatically became Opec president when former president Rihwanu Lukman left his post as Nigerian Oil Minister late last year.

Kuwait's Oil Minister Sheikh Ali Khalifa has said that Opec's oil output quota system should be abolished as soon as possible, because the system was no longer adequate.

Sheikh Ali's call to abolish the quota system was the first by a minister from the Organization of Petroleum Exporting Countries since the 13-nation organization adopted the quota system in the early 1980s, as a way to boost prices on world markets.

At the time, world oil markets were suffering from overproduction which led to a sharp drop in prices.

"From the practical standpoint, they are already irrelevant, so all that is needed is a recognition of that fact," Sheikh Ali told the Nicosia, Cyprus-based Middle East Economic Survey (MEES) in an



Sheikh Ali

interview.

The oil ministers of Opec, at their last meeting held last November, set an output ceiling of 22.1 million barrels per day. But oil industry sources reported January's Opec output exceeded the ceiling by at least one million barrels per day.

Sheikh Ali told MEES that his country was producing above its pre-decreed quota of 1.5 million

barrels per day, but declined to give any figures.

"I think that our obligation to stay within the quota applies when the price of the Opec basket is below \$18 per barrel," MEES quoted Sheikh Ali as saying.

"If the price is above \$18 a barrel, I think everyone should be, and even encouraged to be, producing above quota," Sheikh Ali added.

The Kuwaiti oil minister said demand for Opec crude had been very strong, and predicted that demand was likely to keep growing faster than predicted, "to the extent that only a few countries will have excess production capacity still to be utilised."

Sheikh Ali pledged that his country would never do anything to destabilize the oil market. "We do not want prices too low, because even if we can survive with them, other Opec countries and oil-producing developing countries may be hurt too much."

Sheikh Ali also said Kuwait was opposing too high prices, because that would make its oil harder to sell. Kuwait is producing heavy crude oil containing a high percentage of sulphur.

"So we have not hesitated to increase and reduce our production above or below quota, when the need arises," Sheikh Ali said.

Meanwhile, Opec Secretary-General Suharto sees a new era of international co-operation between oil producers and consumers. He said in an interview that on a recent tour of the European Economic Community, Japan and the United States he found "complete agreement" on various issues between Opec and the governments of industrialised countries.

The Organisation of Petroleum Exporting Countries chief, described a meeting with 20 members of the US congressional committee on national energy security as "a milestone in the history of the oil industry."

"For the first time in the history of the oil industry, an Opec representative met with American decision-makers," he said.

He described the meeting as the first step toward a dialogue between oil exporters and importers.

"I found that they looked toward Opec differently now... and they no longer consider it a danger against them," he said.

"They also welcomed Opec's effort in maintaining the stability of the oil market," he said, referring to the organisation's attempt to restrict output to stabilize oil prices around a benchmark of \$18 a barrel.

'Oapec-EEC dialogue realistic' Poised for structural shifts

THE EEC-Oapec dialogue has been effective because its scope is limited to energy and petroleum issues, said an editorial in the latest issue of Oapec's monthly bulletin.

Commenting on the recent Oapec and European Economic Community (EEC) dialogue in Brussels, the editorial says it has provided an opportunity to review the energy-related developments of a decade adding that a new set of parameters has been introduced reflecting structural shifts in economic and political spheres.

The steps it has adopted towards co-operation are practical and realistic, says the publication, adding that the annual meetings of the two groups have always provided an "insight" into the evolution of thought behind events.

The editorial points out that such meetings have always kept the reality of co-operation alive, exemplified by a readiness to exchange information, provide training and conduct joint studies, projects and seminars.

The annual meetings may provide a forum for monitoring the evolution of awareness about the environment, the publication says, pinpointing that Kuwait-based Oapec is concerned that the measures taken to regulate and clean up energy-related pollution should follow a balanced approach.



Hisham Nazer

The publication says the petroleum industry in the 1980s was on "a roller-coaster" ride, with fluctuating oil prices exercising a far-reaching impact on Oapec economies.

Oapec member states have absorbed more than their share of supply cutback in a "futile attempt" to maintain the price levels achieved in the early 1970s and it is "time for all oil producers to share the responsibility for bringing about market stability," it says.

The editorial said investment by Oapec members in the European refining industry "added new dimensions to the

mutual interest already existing between the EEC and Oapec."

This was a reference to the takeover of refining and distribution operations in EEC countries.

Kuwait purchased and operates two refineries, one in the Netherlands and one in Denmark with a total capacity of 125,000 barrels a day, as well as about 3,000 petrol stations.

Saudi Arabian Oil Minister Hisham Nazer recently disclosed that his country, the world's largest oil exporter, was seeking joint ventures in downstream operations in Europe as well as in Asia. Saudi Arabia's first such venture was in the United States in 1988.

Oapec groups 11 Arab oil producers. Seven of them — Algeria, Kuwait, Iraq, Libya, Qatar, the United Arab Emirates and Saudi Arabia — also are members of Opec, the Organisation of Petroleum Exporting Countries.

The other four are Bahrain, Egypt, Syria and Tunisia.

The Arab world has long sought closer co-operation with EEC. But some Oapec members have been complaining about EEC tariffs on their nascent petrochemical sales to the community.

They also are concerned about the impact of the single European market that will emerge in 1992.

Mild boost for Gulf economy

Despite the slow start, banks and shipping operators say the region's economies are finally getting a mild boost.

Bankers said renewed confidence had sparked a small inflow of new investment and a return of capital. There are also signs that reconstruction material is now beginning to pass through local ports.

Kuwait, the port, thought best placed to take advantage of the reconstruction of Iraq's shattered southern cities, saw significant amounts of Iraq-bound bulk cargo beginning in April, shipping operators said.

The recent cargo has mainly been wheat plus pipes for the Basra oil refinery. But the shipping sources predict a steady increase in cement, pipes, steel, and grain followed by consumer goods.

"The Iraqis have a huge pent-up demand for consumer goods after eight years of wartime economy," one shipper said.

The result will be a mini-boom in transshipment until Iraq can get its own ports up and running, the shipping operators said.

Although Iraq mainly uses Aqaba in Jordan and Mersin in Turkey for imports, it has depended on Kuwait for supplies for major construction sites at Basra and Faw in the south and for imports from the Far East.

Bankers say the volume of re-exports from Kuwait will depend on Baghdad's ability to sell oil to raise foreign exchange. In view of Iraq's wartime debt of around \$80 to \$90 million, few banks are willing to extend new credit.

Because of Iraqi delays in repaying its debts, banks have been charging an extraordinary 20 per cent to confirm a letter credit for imports.

Bankers say Iraqi officials have been promising to have their commercial bank debt — far less than half the total — paid off by 1993, with only letters of credit and government loans left.

Dubai, the port thought most suited to take advantage of Iranian reconstruction, has been less fortunate than Kuwait, with a sharp decline in trading during the last year of the war.

Meanwhile, the Geneva-based Arab-Swiss Chamber of Commerce and Industry said, as latest reforms take effect, the prospects for the revival of the post-war Iraqi economy look good, with most of the country's difficulties expected to be non-structural and short-term.

In its latest publication, the chamber notes that in the long run, Iraq is expected to have no difficulty financing development, given its agricultural and industrial resource base, and its 100,000 million barrels of proven oil reserves, as well as other mineral resources.

This is further supported by its vast human resources. The percentage of qualified administrators, scientists and technocrats in its 17 million-strong population is relatively high

compared with that of other countries in the region, it is observed.

The actual destruction and production losses due to the war are estimated at about \$37 billion. However, the cost of immediate reconstruction of the south and Basra regions, as well as industries around Baghdad, is some \$7 billion. On the other hand, lost oil revenues and additional military expenditures are reported in the range of \$99 billion.

Much of the war damage to economic installations in Iraq has been confined to areas in the south. However, the chamber points out that many experts agree that key oil installations in the south will need to be rebuilt.

Financing economic revival, however, will mean more external borrowing. Debt now is estimated at \$20 billion, mainly in commercial loans. Debt in-kind to Arab countries, which needs to be treated separately, is put at \$50 billion.

Iraq's capacity to service its debts is beyond question, the chamber points out. The ratio of debt service to gross domestic product (gdp) was 7.6 per cent in 1986, when oil revenues declined sharply, while the ratio of total outstanding known commercial and development debt was 28.8 per cent.

Meeting debt obligations, identified as a priority, is estimated to entail annual dues of around \$4 to \$5 billion between 1988-92, following bilateral deferment agreements originally reached in 1983-86 and subsequently rescheduled. Further rescheduling is expected to stretch these repayments into the slack years after 1992.

The government has indicated, however, that it intends to repay all commercial debt between 1990-95, at the rate of \$5 billion over the five years, the chamber points out.

In the economic restructuring that is continuing, the private sector will become increasingly involved in industry, agriculture and tourism as the government looks to private business to help achieve returns on the heavy state investment of the past 15 years, and share the burden of further investment.

To bolster the private sector and encourage further injections of capital into industry, the government initially turned to Arab investors. More recently, it announced to non-Arab foreign companies that it is studying a plan to set up an industrial free zone.

Following significant legal changes, commercial agents and intermediaries will be permitted to conduct business with state companies and departments. The new law will free registered agents to deal in all types of goods and commodities.

The liberalisation policies of the financial and banking sector, agricultural pricing and marketing, and the privatisation of several industrial enterprises have created favourable conditions for higher economic growth — expected to be annually of the order of 4 to 5 per cent in the next four years.

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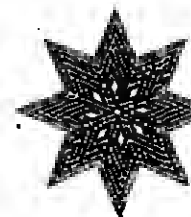
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In search of a new image

The origins of modern financial system in Kuwait

By M.C. Bose

THE origins of the modern financial system in Kuwait can be traced back to the first export of oil in 1946. This had three important effects: it boosted domestic liquidity and increased the need for financial intermediation; it led to a higher level of savings; and it prompted the evolution of enterprises with more complex financial requirements than in the past.

All three trends were manifested in 1952 when NBK, Kuwait's first national bank, was created. Not only was this the first major Kuwait-owned financial intermediary, but its capital requirements were met by Kuwait's first issue of shares, which were also the state's first tradeable financial assets.

NBK joined a branch of the British Bank of the Middle East which had been operating in Kuwait since 1942.

The financial system really started to take shape on independence in 1961. In that year, the Kuwaiti dinar was put into circulation and a Currency Board and four financial institutions were created: Gulf Bank, Commercial Bank, the Credit Bank (reorganised and renamed in 1965 as the Credit and Savings Bank) and the Kuwait Investment Company.

The Kuwait Foreign Trading, Contracting and Investment Company was established in 1965, while Al Ahli Bank was founded in 1967.

An important turning-point occurred in 1968, when the Currency Board was superseded by the Central Bank of Kuwait. This reflected the increasing pace of financial activity, which demanded better regulatory controls over the financial institutions and the money supply.

Thus, by the end of 1960s, the groundwork for the present system was laid. Most of the remaining major financial institutions were created during the 1970s, partly in response to a new influx of liquidity consequent on higher oil prices. Burgan Bank, of course, is Kuwait's youngest commercial bank. It opened its doors in 1977 and has enjoyed

rapid and sound growth since then.

By the start of the 1980s, today's financial framework was in place, with the Central Bank, a formal stock exchange, seven commercial banks, three specialised banks, one Islamic bank, 18 investment companies, 5 national insurance companies and a dozen foreign-owned ones, and 80 or 90 money changers.

There have been no major changes since then, although five new investment companies have opened, while a few more have closed. Also, the money changers have been brought under the control of the Central Bank, and at the end of 1987, there were 39 registered.

In 1961, a Currency Board was considered to be adequate to control Kuwait's financial system. The accelerating pace of activity after independence created a need for a body with stronger regulatory powers.

Hence, the Central Bank of Kuwait opened its doors on April 1, 1969. It has developed a set of formal regulations through which it influences monetary and economic developments and guard depositors' interests.

In addition to this regulatory role, the Central Bank also issues the Kuwaiti currency and ensures that it remains stable and convertible, and acts as banker to the banks and the government.

Central Bank controls may be divided into two categories. There are open market operations which influence the financial system, and there are rules and guidelines which are applied directly to the financial institutions.

Kuwait's 1961 commercial law provided for a maximum contractual rate of interest. This has given the borrower good protection, while providing a legal framework for the banks. Consequently, Kuwait's financial institutions have never run into problems over the legality of interest which have arisen in some other Islamic states.

From 1961 to 1977, lending rates were subject to a legal ceiling of seven per cent per annum. This created a situation

where a KD market could well have developed outside of Kuwait, and it also denied the authorities an important tool for monetary control.

Thus, in 1976 a law was passed allowing the Central Bank to set interest rate limits upon approval by the Ministry of Finance.

In February 1977, the ceiling for loans was raised to 10 per cent. For advances to be repaid within one year, there were limits of seven per cent for secured loans for productive activities such as importing or construction and 8.5 per cent for unsecured loans.

Interest rates on foreign currency transactions were unrelated. Also, a new 4.5 per cent minimum was introduced for the rate of interest paid on saving accounts.

The interest rate structure then remained unchanged for 11 years.

In March 1987, the maxima were reduced in the hope of stimulating economic activity. But the upward trend in world rates forced an increase to December 1988, as recently reported on these pages.

One last point of interest is that maximum deposit rates are set by agreement among the banks.

In consequence, the rates are relatively inflexible. This sometimes causes frictions out of the dinar when competing rates are higher overseas.

In the 1950s, four joint-stock (public shareholding) companies were established. These were NBK, the Kuwait National Cinema Company, Kuwait National Airways (now KAC), and the Kuwait Oil Tanker Company. Their shares were issued in Indian rupees, then the only currency in Kuwait.

The market took off after independence in 1961 when the government collaborated with private enterprise to create the joint sector of the economy. Thirteen companies were floated between 1960 and 1962, while by 1970 there were 25 in existence. 'Stagging' produced good profits for some speculators, and share

prices jumped by 40 per cent in 1962 alone.

However, share trading was hampered in the 1960s by the lack of a formal stock exchange and fluctuations in government spending.

But the sharp rise in oil prices in the early 1970s provided new liquidity. Equity prices were bid up by 200 per cent between early 1971 and late 1973.

During the boom, another 11 companies were set up. One important development was the flotation of real estate companies, re-opening to small investors opportunities for speculation in land.

The imposition of official regulations over share transactions, and high interest rates overseas, prompted a retreat in share prices in 1974. But a construction-based boom in 1975-76 pushed up share prices, first of real estate companies, and then the whole market.

Post-dated cheques, prohibited in 1974, reappeared. Fresh government regulations and the maturity of forward deals led to another share price retreat in 1977.

With a ban on new issues in Kuwait, over 40 Gulf companies were established over the next few years. Since these shares could not be traded on the new official exchange, an unregulated parallel market developed.

Trading took place in a commercial building called the Souk Al Manakh. At way from the watchful eye of the authorities, speculation based on forward deals re-emerged — boosted by the repatriation of funds from abroad where interest rates were falling.

Moreover, the practice of floating companies purely for speculation in their shares also resurfaced.

In 1981 and 1982, nearly 100 closed companies appeared, compared with 200 in the 17 years between 1963 and 1980.

It was reported that some premiums reached 400 per cent in 1982. However, when prices eased towards the end of that summer, under the impact of

recession and the Iraq-Iran war, some participants found themselves unable to fulfil their contracts.

The resulting defaults rippled through the market and led to a spectacular collapse in Al Manakh shares.

It is only now, some six years later, that full confidence is returning in the market. A whole series of new government regulations have ensured that today's share trading is much more soundly based.

The Kuwaiti bond market is highly attractive to international borrowers. It can boast surplus capital, low interest rates and a stable exchange rate relationship with the US dollar.

It is to be hoped that the authorities will soon formulate a coherent strategy to enable the country to benefit from the potential.

The KD bond market might be dated from 1968, when KIC arranged KD140 million of private placements for the World Bank. But the true beginning was in 1974, when the jump in Kuwait's capital surplus made it a potent source of funds for international borrowers.

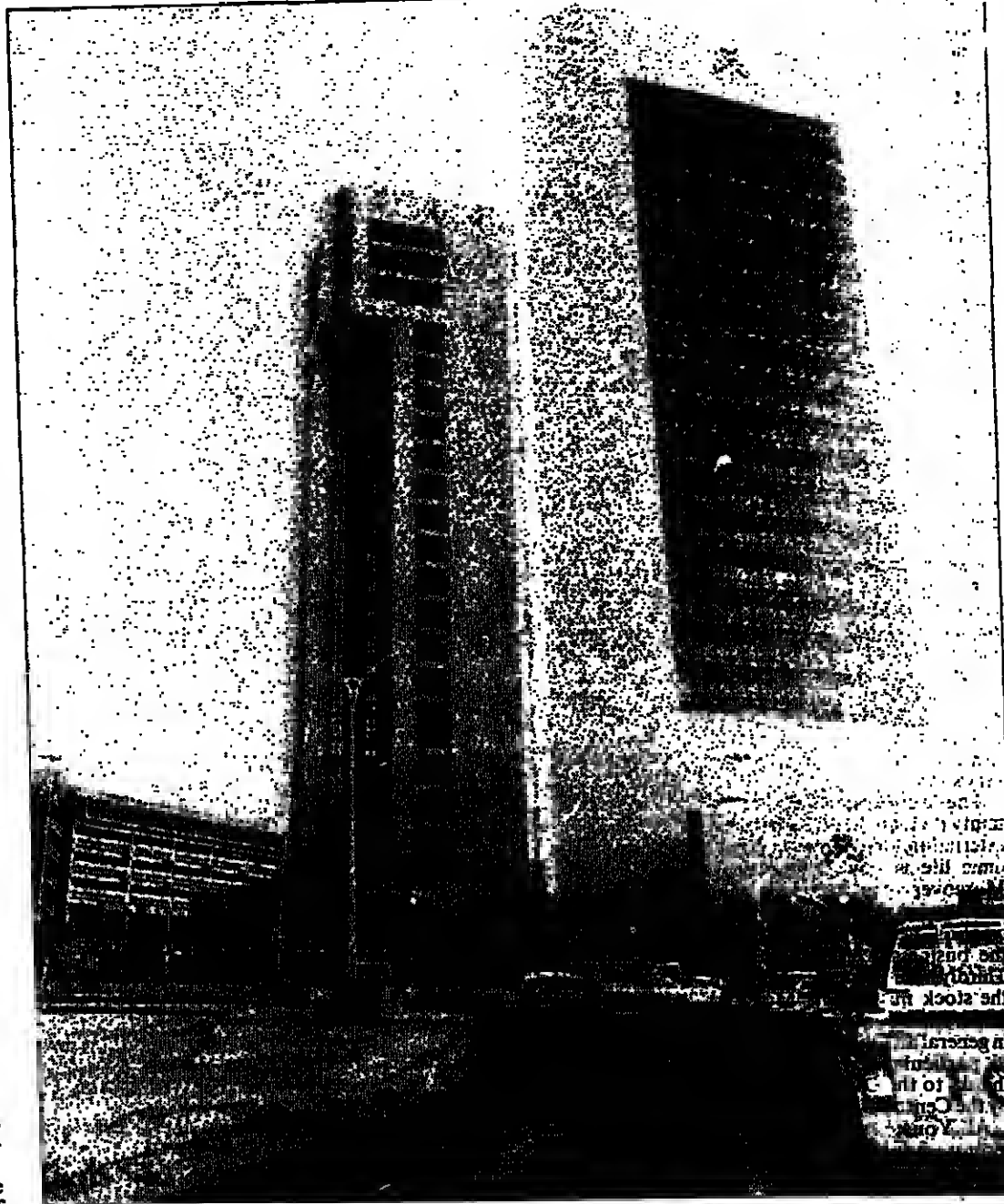
Kuwait's first public bond issue took place in 1974. This was a KD5 million loan for the Republic of the Philippines, with a five year maturity and an eight per cent coupon.

The first domestic issue was in 1975. There was a sharp increase in issuing activity over the next few years, with some major international names tapping the Kuwaiti market.

In a notable development, the Central Bank of Kuwait issued Kuwait's first Treasury bills in November 1987, and the Gulf's first Treasury bonds in the following month.

Both bills and bonds allow the government to borrow some of the private sector's surplus investment funds to help finance the budget deficit.

The maximum amount of Treasury paper which may be outstanding at any one time is stipulated by the public debt limit. This was originally set at KD1.4 billion, but in March



Kuwaiti banks, including Al Ahli, are expanding internationally.

1989 it was raised to KD3 billion for the fiscal year ending June 30, 1989.

Bills held by the commercial banks count towards their reserve requirements. The treasuries provide a tool for regulating the level of liquidity in

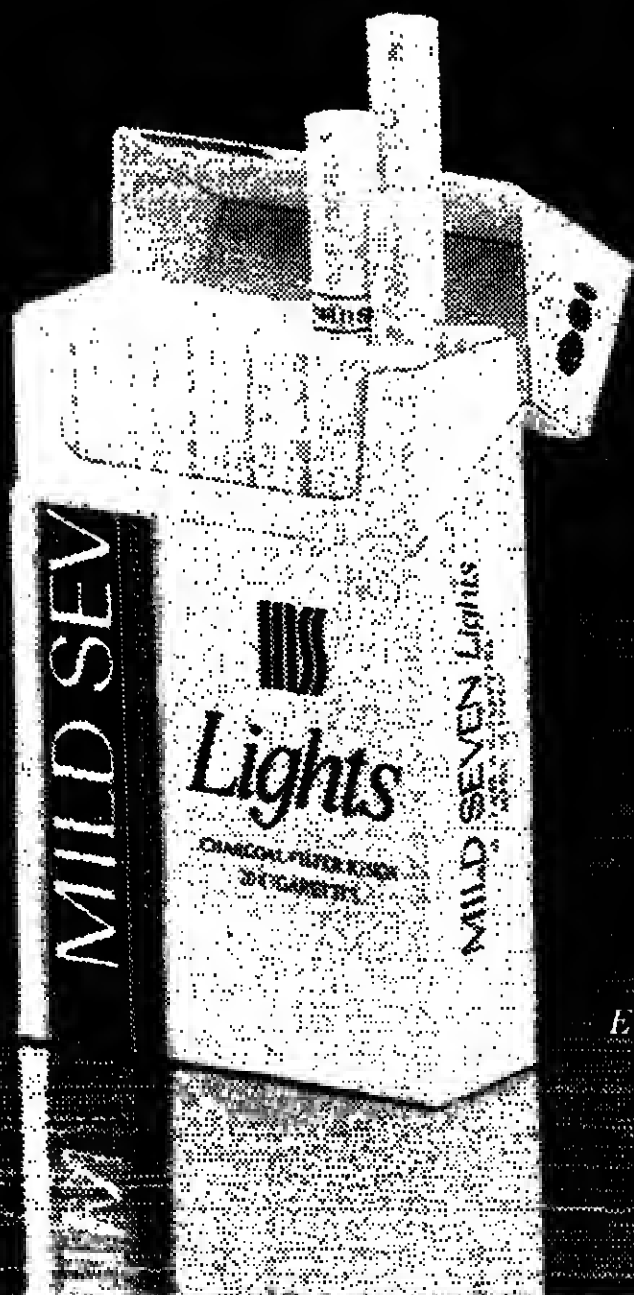
the system. By taking more of the paper into its own book the Central Bank can increase the amount of money in circulation. (It buys the paper from the banks and other holders, giving them cash in return). By selling some of its holdings, the Central Bank

can reduce liquidity.

The bills and bonds are issued regularly by the Central Bank on behalf of the Ministry of Finance. The paper is sold initially to those financial institutions under the Central Bank control.

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Sheikh Saad Al Abdullah Al Sabah



And
The government and people of
Kuwait on the occasion of the
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Sustained growth forecast for '90s

By M.C. Boes

A WELL-KNOWN Kuwaiti banker has said that there is a general consensus within the business community in Kuwait that 1990 will be a point of inflection in the growth curve of the Kuwaiti economy. There is a deep belief that the 1990s are pregnant with new potentialities for the Kuwaiti economy which deserve such an optimistic spirit.

Saleh M. Al Yousuf chairman and managing director of the Industrial Bank of Kuwait said three shocks which were responsible for the recessionary trend and sluggish mode that dominated the Kuwaiti economy in the '80s have either disappeared or are fading away. First, the soft international oil market is now reversing its trend. Even the most conservative scenarios concerning oil price forecasts for the 1990s are quite high compared to the second half of the 1980s. The same applies to Opec quota estimates. These forecasts imply higher oil GDP growth rates, higher government revenue and expenditure and hence higher non-oil GDP growth rates for the 1990s. Secondly, the Iraqi-Iran war is now over and the settlement of the dispute is expected very soon.

The atmosphere of uncertainty it created and its negative externalities on domestic economic life is now fading away. Moreover, the reconstruction activities in both countries are creating new potentialities for the business sector in Kuwait. Thirdly, the negative effects of the stock market (Al Mansakh) crisis on the domestic economy in general and the banking sector in particular are nearly over thanks to the DDSP introduced by the Central Bank in 1986.

Al Yousuf said the policy recommendations of the joint committee report are taking care of the remaining side-effects of the problem. "We hope that the banking sector will regain its vital role as the source of lubricants necessary for the domestic economic machine. Over and above, all the above developments are taking place at a time when the long-term

strategy for Kuwait development has been formulated which includes the aspirations and the economic path of Kuwait in the future. This strategy has been translated into a long-term development plan for the years 1990-2015 which has been submitted to the Cabinet. The work is being carried out to finalise the 1990-1995 five-year development plan as a component of the long-term plan," he added.

There are signs that business confidence in Kuwait has been reawakened notably in the banking sector and financial markets. When asked whether the chairman is satisfied with the pace at which this process is proceeding he said "Indeed I am satisfied to a great extent. I think that this reawakened confidence in the business sector in general and the banking sector in particular has its roots in two major developments. First, is the new image of growth prospects for the Kuwait economy in the 1990s. The second is the initiative taken by HH the Crown Prince at the end of last year to activate domestic economic activities and the invitation extended to all parties concerned to provide their policy recommendations to reactivate the economy. Then came the formation of a joint economic committee to receive all proposals and reformulate them in a comprehensive programme."

The report of the committee is now out and includes proposals for policy measures to push economic activities forward at the sectoral level. The problems of the banking sector, and in particular the difficult debt settlement programme, were given enough prominence in the report. The expected removal of this heavy burden is sufficient cause to reawaken the confidence in the banking sector.

"I believe that the solution to the problem is going in the right direction and at the right pace. First, the difficult debts problem were tackled through the DDSP which reorganised the problem i.e. both its size and dimensions. Now the report of the joint committee is trying to provide the final blow to the problem and clear all its negative influences,"



Saleh M. Al Yousuf

Al Yousuf said.

There was a report that Kuwait has announced that it will write off at least \$100 million owed by investors to help commercial banks grapple with more than \$4 billion in bad debts. The chairman said direction of the report is quite right on this point. There is no doubt that the DDSP imposes a heavy administrative burden on all levels of management in the banking sector and hence consumes a large share of their time. I mean here both the local banks and the Central Bank. Those who work in the banking sector know this fact quite well. If this is the case, and if the aim is to release a large share of the management time towards more strategic thinking, improving the quality of assets, looking for new products, discovering new instruments etc. then the bias of the policy direction should be towards those debts that are time consuming and do not impose a real financial burden on the banks.

According to the report, 54.2 per cent of the DDSP clients have debts below KD250,000 while their debts represents 2.5 per cent of all debts in the programme. Moreover, their share of the banking assets is infinitesimal. The report proposes the settlement of those clients' debts by using mortgage and dropping the uncertain portion of the debt. The debtor would be left the choice to benefit from the settlement during the period determined by the Central Bank so that no one can benefit if the definite period elapses. The rules and regulations to govern those settlements are in the process of formulation and will

be out soon. As to those programme clients whose debts exceed KD250,000 the report opens for them the option of immediate settlement in accordance with regulations to be set by the Central Bank.

In reply to a question whether this will lift a burden from about 50 per cent of individuals in the difficult credit facilities settlement programme and allow them to focus more clearly on current business opportunities the chairman said those 54 per cent of the debtors who finalised their settlements according to the proposals of the commission's report will no longer be under the umbrella of the programme and will be now free to direct all their time to develop their current business and will be able to apply for credit facilities from the banks. If their business potentialities allow them to do so.

Moreover, the report allows debtors who documented their settlements to trade in their assets mortgaged with the banks in accordance with rules to be set by the CBK.

When asked about this move whether it is part of a blueprint for overhauling the country's economy and includes activation of the relatively dormant stock market and encouragement of the private sector and its role, Al Yousuf said the report is comprehensive. The fact that an important weight was given to the improving of the DDSP and the banking sector does not minimise the weight given to other sectors. As I mentioned earlier the banking sector is the lubricating machine for domestic economic activities. However, the report includes policy measures recommended to be carried out at the sectoral level to activate economic life in industry, real estate, construction, trade, etc.

The aim of the policy is to replace the mode of uncertainty by a new mode of confidence to encourage the private sector, which has shifted away from productive investment in last few years, to regain its vital role in the economy.

"The regaining of confidence by private business and the activation of the domestic econ-

omy are necessary conditions for awakening the relatively dormant stock market. Give me a flourishing economy and successful production units according to normal financial indicators and I can give you in exchange a booming stock market," the chairman said.

When his attention was drawn to a report that some of the local banks and financial institutions were planning to merge or integrate in order to strengthen their competitive edge and cost cutting drive, Al Yousuf said: "I think it is no secret now. It has been mentioned by the Governor of the Central Bank on several occasions. Merging would be justified on several grounds. It is justified in view of the size of the domestic market and the state of local banks. It is justified on the ground that we are planning for Kuwait to be a regional financial market. It is justified if we want our banks to be competitive in the international financial markets of the '90s. The '90s will witness the completion of the process of integration and globalisation of international financial markets. The '90s will be the era of giant organisations and severe competition.

He said merging is a rational process in certain circumstances. It would rationalise the use of fixed assets and a lot of savings would be achieved in this respect. Moreover, a great deal of rationalisation would be achieved also in the wage bill. Huge economies of scale are expected in such a merging process. That some of the labour force might be redundant is correct. However, this is the price of efficiency. Moreover, such redundancy would never pose a problem if we are talking about a booming economy. They will soon be absorbed in other sectors.

In a reply to a question if the integration process is proved to be real, the government should intensify its foreign operations through these banks on commercial basis, the IBK chairman said there are several ways through which the government can help the local banks. One of them is to carry out some of their foreign operations through local banks.

Economic base to be diversified

Banker sets priorities

By M.C. Boes



Dr Abdul Aziz Sultan

DR Abdul Aziz Sultan, chairman and delegate member of the Gulf Bank has said a positive aspect of the economic report is reflected in the recommendation which allows debtors to manage their assets. While governed by CBK regulations, such recommendations provide the debtors with a reprieve for improving their asset value.

Dr Sultan said there is no doubt that the recommendation of joint economic committee if implemented will lead to some improvement. But such measures alone are not sufficient to lead to the economic growth we aspire for. We need other measures:

- Diversification of Kuwait's economic base away from oil.
- Improving public sector management.
- Creation of more competitive economy (less restriction to formation of companies).
- Open and freer society.
- Better management of the economy.
- Better management of Kuwait's resources.
- An effective Human Resource Development.
- Improving private/public sector, currently unhealthy relations, etc...

The chairman said the content of the economic report as regards the banks' difficult debts would, no doubt, ease some of the banks' burden. Some 681 debtors, comprising 54.2 per cent of total debtors with liabilities constituting 2.5 per cent of total debt have so

far posed an administrative burden on the banks. Writing off those debts will allow the banks to restructure their non-performing loan portfolios and concentrate their efforts on redressing the situation of the bad debtors, subsequently setting the banks on the course of upgrading their overall performance within the framework of long-term planning. Of particular importance in this regard is the recommended financial support to be given to deficit banks, an apt measure towards the normalisation of those banks' functions, namely, distribution of proper dividends for shareholders.

In reply to a question that some of the local banks and financial institutions planning to merge or integrate in order to strengthen their competitive edge and cost cutting drive, he said, in a broader perspective and in more pragmatic terms, the merger issue, which falls under recommendations made by the economic report, has more far-

reaching and strategic implications. It is to be viewed as one of the indispensable measures needed for rationalisation of banking business and for meeting the challenges in the world markets in the 1990s. Quite relevant in this regard are the capital requirements imposed by the Basle committee, which would restrict access by small players in the European market. The merger issue would therefore lay the foundation for Kuwaiti financial institutions to expand their activities worldwide. The ultimate decision, however, would be based on the banks' general assemblies and their view of their respective roles in the local banking sector.

Turning to Gulf Bank's overall growth prospects, the Gulf Bank's chairman said the outlook for an improved world oil market and a recovery in oil prices in the 1990s, and subsequently increased oil revenues for the Arab oil producing countries, provides good reason for better business for GCC banks in the years ahead. To be noted, here, is the prospect of the opening of a new market, the Eastern Europe market, for Arab oil exports.

About the bank's expansion drive the chairman said, "our plans currently focus on improving the quality of our services, which we are trying to effect by upgrading the quality of our employees and their performance. Our expansion strategy shall be identified as soon as our strategy's objectives and plan are completed."

Kuwait insurance market

New boom area predicted

THE Arab Times contacted C.S.S. Khanpuri, Chairman of the Kuwait Insurance Association (and the Agency General Manager of Guardian Royal Exchange Assurance Plc) about his views on the current situation of the Kuwait insurance market and about the activities of the Kuwait Insurance Association.

Khanpuri said that there has been a slight improvement in the market after the cessation of hostilities between Iraq and Iraq. However, the degree of improvement is nowhere near the expectations which we had for a long time. The marine premium-income of the market has been continuously going down.

In 1980, the total marine premiums of the Kuwait market were about KD18 million, and in 1984 the same were more than KD25 million. This figure has now come down to less than KD15 million. The total market premiums for all classes of general insurance business (i.e. excluding Life business) were more than KD75 million in 1984 for the whole market, whereas they are now less than KD55 million.

This is a very big drop of revenue for the insurance companies. It is out of this premium-income that the insurance companies have to pay losses and meet claims arising from fire, motor, marine, theft and workmen's compensation insurances etc. The loss experience of marine has been



C.S.S. Khanpuri

good for the last few years and consequently the premium rates have dropped.

The main reason for good experience is removal of old vessels (ships) from the marine trade, and progressively increasing containerisation of cargo and lack of congestion in the ports. The highest percentage of losses are from the third party motor business.

The insurance market has not been able to adjust the premium rates for this class of insurance in accordance with the rising level of losses because the premium is fixed by the government. The premium-income should be sufficient not only to cover the losses but also the high cost of service-

ing the claims, i.e. salaries of the insurance staff, office expenses, and commissions and brokerage etc. The insurance companies hope that the market will improve in volume and rating and they will be able to maintain the present level of good staff and service. The insurance companies are normally happy with small margins of underwriting profits, i.e. profits purely from insurance business.

As regards Kuwait Insurance Association, Khanpuri said that it was formed in 1959. At that time there were more than 30 foreign insurance companies operating in Kuwait and all were members of the association. This association did a lot of technical work and provided useful guidance to the companies and created a sound insurance market in Kuwait. At that time there were no Kuwaiti companies in the country.

When the Kuwaiti companies were formed later, they decided not to join the association but did co-operate with the Kuwait Insurance Association in various matters whenever there were common problems affecting all the insurance companies and whenever there was a need for a joint action, like recovering goods from ships which became bankrupt, or which discharged their cargoes at some ports on their way to Kuwait.

Similarly, there have been many

(Continued on Page 18)

Money keeps flowing, says Kuwait Fund

DURING 1988/1989, the Kuwait Fund for Arab Economic Development continued its efforts in extending concessional loans to a number of developing countries to help them in the financing of their high priority projects. Such loans are extended after review of the feasibility studies and appraisal of the projects and conclusion of loan agreements.

The fund has also maintained the usual follow-up of the implementation of on-going projects and provision of advice

and consultation to recipient countries to help them in the realisation of their developmental objectives and the benefits of the projects in the financing of which the Fund participates. The Fund also continued to follow up technical assistance grants provided to support and strengthen the development efforts of recipient countries and institutions and to help them in the development of their human resources and also to enable them to improve technical and administrative capabilities as well as perfor-

mance. During the fiscal year under review, the Fund extended 19 loans with a total value of KD84 million to assist in financing development projects in the agricultural, transport and communications, industry, electricity, water and sewage sectors. The recipient countries included six Arab countries, eight African countries and three Asian countries, in addition to one other country. The share of the Arab countries in the total loan commitments during 1988/1989 was

49.2 per cent — African countries 29.4 per cent, Asian countries 18.5 per cent and other countries 2.9 per cent.

As to the sectoral distribution of these loans, the agricultural sector and its primary sub-sectors ranked first with a share of 31.2 per cent in the total value of loans committed during the year. It was followed by transport and communication sector 27 per cent, industries 21.4 per cent, water and sewage 18 per cent, then electricity 2.4 per cent.

With the closing of the current fiscal year the total number of loans, extended by the Fund, stood at 360 loans with a total value of KD1,584 million benefiting 65 developing countries including 16 Arab countries, 30 African countries, 15 Asian countries and four other countries. The share of the Arab countries in the total value of loans extended by the Fund up to 30/6/1989 stood at 50.9 per cent, African countries 18.7 per cent, Asian countries 28.7 per cent and other countries 1.7 per cent.

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Link with Kuwait dates back to 30 years

Air India gears up for '90s

OCTOBER 4, 1960 was Air India Day in Kuwait. An Air India Super Constellation, "Rani of Ind" commanded by Capt R.K. Screwalla took off from Santa Cruz Airport at 10 am on October 4, on its inaugural flight to Kuwait via Bahrain forging yet another link with the neighbouring countries in West Asia.

Air India operated its first weekly service between Bombay and Kuwait via Karachi and Bahrain, carrying on board fare paying passengers and 18 guests from India.

To commemorate the inauguration of Air India's new service, S.K. Kooka, a Commercial Director, presented on behalf of the chairman of India, a silver coffee set to Sheikh Salman Bin Hamad Al Khalifa, the Amir of Bahrain and a silver tea set to HH Sheikh Abdullah Al Salem Al Sabah, who was then the Amir of



P.R. Kanga,
Air manager-Kuwait.

Kuwait.
Dr.S. Radhakrishnan, the then vice-president of India, in a message of greetings to the Amir of Kuwait said:
"Your Highness,

May I greet your Highness and the people of Kuwait on the occasion of the inaugural flight of the Air India International plane to your country. I have no doubt that these flights will foster friendship between our two peoples besides stimulating trade. With kind regards,
Yours sincerely,
S. Radhakrishnan."

The commercial director conveyed the letter of greetings to HH Sheikh Abdullah Al Salem Al Sabah.

In keeping with Air India's tradition, two flight covers for Bahrain and Kuwait, priced at 65 Naye Paise each, were carried on the inaugural flight. These covers were defaced with a special cachet.

The inaugural flight touched down at Kuwait Airport at 5:30 pm (local time) on October 4.

The guests who were accompanied by J.S. Hoglekar of Air India's Bombay Office, were accommodated at Hotel Ambassador Kuwait. The General Sales Agents in Kuwait entertained the guests to cocktails and dinner on the evening of October 4. October 5, was a day of tight schedule for Air India guests. They were invited for a tour of the oilfields, distribution centre and loading piers by Kuwait Oil Company. After the tour, the KOC hosts entertained the guests to a luncheon.

The flight left Kuwait at 9:00 pm on October 5 and arrived Bombay at 9:30 am on October 6. Among the distinguished guests were Jassim Al Ghanim of Alghanim Travel Agencies, S.M. Black, Assistant Political Agent, UK Government, and Abdullah Saleh Al Ali, a prominent business.

New India insurance operation abroad

A dream turns into reality

By Vijay Kapur, resident manager. "NEW INDIA" is unique in the sense that it is the only Indian insurance company which operates in as many as 32 countries. It is internationally known not only for being the leading company in India (premium income in 1989 about KD125 million) but also as an active foreign insurer abroad. It is the only Indian company authorised to operate in the UK and recognised by the British Board of Trade.

When the company was established in July, 1919 it entered into an agency agreement with the largest English broker "Sedwicks" and this agreement still operates. Similarly we had entered into an agreement with the largest insurance company in UK, "Commercial Union" and this also continues.

In 1921 New India was recognised as a member of the International London Underwriters authorised to transit Marine Insurance in the London market. In 1922 New India started doing business in China, Malaysia and Singapore. We had an agency of the largest Japanese company "Tokyo Marine" in Japan as early as 1927.

New India's foreign operations expanded considerably in the 1950s and 1960s. We have extended help to the Third World countries to build up their insurance industry either by



Vijay Kapur

establishing "New India" as a truly international company has been fulfilled.

"New India" started operation in Kuwait in December, 1953 through Mohamed Saleh Behbehani with the late S.B. Monteiro as a partner. The company was reconstituted into a limited company in August, 1986 in order to introduce Mohamed Reza Behbehani, younger brother of Mohamed Saleh Behbehani and J.T. Monteiro, elder son of the late S.B. Monteiro. Our agents Mohamed Saleh and Mohamed Reza Yousuf Behbehani are reputed and old residents of Kuwait.

Their main interests are trading i.e. dealership of American/Japanese cars, garage owners, and owners of Seven-Up Bottling Company. New India's relations with our agents have been very good since the inception of the agency operations. The agency has been very well managed by C.M. Thomas, Deputy General Manager over the years. As a result of strict administrative controls and co-operation of our agents our performance in Kuwait has been profitable. From 1986 we have undertaken ourselves to be more aggressive in the market and have been able to increase our business by nearly 100 per cent over these years.

Today "New India" is a company with KD125 million premium, paid

up capital KD4.8 million, assets and investments KD245.5 million, reserves and underwriting funds KD117.9 million. Our Head Office at the "New India Building" Bombay is a massive structure showing its financial strength and enshrined its consistent commitment to the paramount objective of the national movement to secure the socio economic welfare of the country. The company has a genuine concern for each and every customer shared by 4,000 officers and over 16,000 strong New India family, internationally.

"New India's" future plans reflect its commitment to growth in India and abroad through providing service to all sections of the population. It is already gearing up for its rightful place in the 21st century and is confident of scaling greater heights through its emphasis on excellence. The company's philosophy can be stated as to establish a world-wide presence, to maintain highest standards of skill and to uphold and strengthen its reputation as a truly global company. The company has under active consideration several proposals for expansion of its network abroad. The proposals for revival and/or expansion of our operation in Canada, Belgium, France, Portugal, Holland, Spain, Botswana, Cameroon, Zimbabwe are already underway.

The company has a network of 850 regional, divisional and branch offices in India and abroad.

Oriental Insurance

Company income promises new dawn

THE Oriental Insurance Company Limited, is one of the oldest general insurance companies in Kuwait, and has been operating here for the last 30 years.

R.C. Kohli, resident manager of Oriental Insurance has said presently, it is one of the largest, amongst the foreign-based companies working in Kuwait and has crossed a gross premium income of KD1.8 million in the calendar year 1989.

The company's headquarters is based in New Delhi, India. The company has been operating in India for the last 59 years in the general insurance field. The company has reserves of over KD31 million and assets of over KD150 million. The company is a subsidiary of the General Insurance Corporation of India and is fully supported by the government of India.

The company has a network of 850 regional, divisional and branch offices in India and abroad.

The total gross premium underwritten by the company in 1988-89 was over KD64 million. The company has a trained manpower of over 15,000 officers and staff.

Kohli said the operations of Kuwait branch are managed through the agents M/s Bader Al Mulla & Bros Co. W.L.L., from a most modern office in Mubarak Al Kabir Street through the most experienced and efficient staff. This office underwrites a gross premium income of approximately KD1.8 million, and has a highly trained staff.

Presently the operations of the company are looked after by its Resident Manager, Kohli, a Fellow of Insurance Institute and as Associate Member of Institute of Company Secretaries, London. He has been with the company for the past 28 years including being in the sophisticated insurance market of Singapore for 5 years. The company will shortly computerise its operations in Kuwait including the issuance of policies in motor and marine classes.

New boom area predicted

(Continued from Page 17)

other areas of friendly co-operation between the Kuwait Insurance Association and the Kuwaiti companies which are much larger in size than branches of foreign companies in Kuwait.

At present there are 12 foreign

insurance companies operating in Kuwait, doing general non-Life insurance business, and all are members of the Kuwait Insurance Association. Out of 12 foreign insurance companies, four are Lebanese, 3 are English, 2 are Indian, 1 Egyptian, 1 Jordanian, and 1 Japanese. The Kuwait Insurance

Association has been doing great service to the business community in Kuwait for the last 30 years without any break. In the technical and professional field and it is hoped that it will continue to do so for many more years to come and will continue to offer its co-operation to the large national companies.

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BUSINESS & FINANCE

Loan agreement signed

World Bank vows \$5b for East Europe

WARSAW, Feb 23, (UPI): The World Bank yesterday launched a \$5 billion three-year lending programme to support economic reforms in Eastern Europe by signing two agreements on credits totalling \$360 million to boost Polish exports.

The loan package was signed by World Bank president Barber Conable and Finance Minister Leszek Balcerowicz at a ceremony attended by Prime Minister Tadeusz Mazowiecki and ambassadors of other East European countries.

"We are in Poland not to provide short-term relief but long-term growth — to ensure that Poland's available

resources are co-ordinated in ways that are efficient and useful for the Polish people," Conable said.

One loan, for \$260 million, will help develop exports of industrial products. The second, for \$100 million, is to boost the export potential of the agricultural and food sector. Both will be for repayable in 17 years with a five-year grace period.

Conable said the nations of Western Europe can expect to receive loans worth more than \$5 billion in the next three years as they readjust their economies — half of it for Poland to assist its "courageous" efforts.

"If Eastern Europe shows strong

spirit and determination in implementing reforms, it can count on support and concrete assistance from World Bank and IMF (International Monetary Fund), he said.

Under Mazowiecki's Solidarity government, Poland began implementing on Jan 1 a tough economic programme that will move it from an inefficient, centrally planned economy toward one based more on competition and private enterprise.

The changeover, the most drastic ever attempted in a Soviet bloc country, is expected to lead to unemployment and worker dislocations while Poland's industrial base adjusts to the new

demands. Hungary is preparing to implement a similar programme.

Conable said the bank will open a resident mission in Warsaw within three months and strengthen its East European programme of policy advice, technical work, research and training.

Conable said the bank has adequate resources to support the Polish programme without diminishing support elsewhere, but stressed the World Bank cannot supply all necessary support and encouraged Poland to co-operate closely with the 17-nation Paris Club of Western creditors.

Talks are scheduled later this year with the World Bank on loans for nine

more programmes. A \$150 million credit to modernize transportation is due to be initiated later this month and another one to increase energy supplies, worth \$250 million, is to be concluded in March.

A \$100 million programme to develop Poland's poor telecommunications facilities is scheduled to be initiated in June.

The first six enterprises to benefit from the loans include a petrochemical plant in Plock north of Warsaw, a fertilizer manufacturing plant in Pulawy south-east of Warsaw and a furniture plant in Zielona Gora in western Poland.

The landmark agreements were signed at the start of a two-day visit by Deputy Secretary of State Lawrence Eagleburger to Warsaw.

Eagleburger, President Bush's Eastern Europe representative, met with Deputy Treasury Secretary John Robson and a group of advisors to learn how Poland intends to use American investment credits.

Poland hopes the United States will support decisions that would reduce its staggering \$41 billion international debt burden.

Today, Poland signed a major agreement with the Paris Club to reschedule \$10.2 billion of external debt.

World oil prices slide

Talks vital to avert global price shock

LONDON, Feb 23, (Reuters): Opec's secretary-general called yesterday for urgent talks on averting the risk of a new global oil price shock.

The official, Subroto of Indonesia, said he favoured discussions bringing together consumer governments, the banks, oil multinationals and Opec itself as soon as possible.

"There is no room for confrontation," he said in a speech to the Institute of Petroleum, an industry forum.

He said an agreed strategy was imperative to create a climate in which oil producing nations, companies and banks could commit the vast sums needed if a surprisingly strong surge in world demand is to be met.

Subroto repeated his assessment that the Organisation of Petroleum Exporting Countries must invest \$60 billion between 1995 to boost the output capacity of their oil fields — "a challenge too great for Opec countries to meet on their own."

An ageing, accident-prone global refinery system and tanker fleet must be expanded and modernised. Installations should

also be upgraded to meet tighter anti-pollution rules against lead and sulphur.

"The margin of safety is already rather small," Subroto said. "Any disruption in supply or demand could cause a shock in the system."

"That is why it is almost mandatory that the discussions to which I have referred should be held as soon as possible," he said.

"Refineries everywhere are ageing and accidents are increasing. In the last 18 months there has been an unprecedented series of mishaps, reflecting wear and tear on plant and equipment built in the late 1960s."

"Society will also expect the industry to take into account the environment in everything it does."

Industry executives agree that major investment throughout the sector is necessary. "They are daunting totals," said Sir Peter Walters, chairman of British Petroleum (BP).

Some analysts talk in terms of a \$1 trillion, partly to make up for spending shelved during the oil glut of the mid-1980s.

Subroto also urged Western

governments not to levy taxes or subsidise other fuels to try to minimise dependence on Opec oil.

"Consumers need security of supply," he said. But for Opec "predictability of demand is vital. If we go in to these huge investments, we do not expect to see consumer policies designed to apply downward pressure on the demand for Opec oil."

He also said gradually rising oil prices were an essential incentive to large-scale investment. Opec felt the best solution would be to raise its current reference price of \$18 per barrel in line with inflation.

"Prices should be allowed to follow a smooth, progressive path over time, retaining the incentive factor and at the same time encouraging oil companies to invest in the expansion operations taking place in that region where the bulk of the world's oil reserves are located," Subroto said.

The Opec official also called for Third World debt relief and a more rapid transfer of technology to developing nations.

World crude oil prices are slid-

ing because of excess Opec supply and warmer weather in the northern hemisphere after an icy snap in the United States at the start of the year.

Prices of "wet barrels" — cargoes with agreed loading dates — of North Sea Brent blend crude oil, a world pricing benchmark, have fallen around \$1.20 per barrel this week.

Brent for March loading is now around \$18.75, compared with 20 a week ago.

Warm weather has undermined demand for gas oil, a refined product used for domestic, office and commercial heating.

This has in turn encouraged refiners in Europe to gear up to the usual spring maintenance shutdowns, ahead of the summer holiday peak season for petrol demand, and this has reduced demand for crude oil.

Adequate oil company stocks and plentiful supplies of crude from the Organisation of Petroleum Exporting Countries have also put pressure on crude prices.

The volume of trading has not, however, been large.



M.N. Goiporia
SBI chief

BOMBAY, Feb 23: M.N. Goiporia has taken charge as chairman of the State Bank group. He succeeds V. Atal, who retired as chairman on Feb 17, 1990.

Goiporia, a chartered accountant, started his career with Union Bank of India, where he worked for nearly 25 years. He has the unique distinction of having served as chairman and managing director of three nationalised banks namely, Dena Bank, Bank of Baroda and Central Bank of India for over 11 years.

GAO warns of threat to stock, computers

WASHINGTON, Feb 23, (UPI): The General Accounting Office warned Wednesday there are serious technological weaknesses in the security systems protecting America's vast network of banking and stock exchange computers.

"These weaknesses pose risks of an outsider threatening the systems" without being detected, thus potentially threatening our nation's ability to conduct securities trading," the GAO said.

Although it found no incidents of tampering, the congressional agency urged the securities and banking industries to take steps to protect their computers from such high-tech demons as "hackers" and "viruses."

A "hacker" is a person who tampers with computers. A "virus" is a covert computer command hidden in an existing programme to wipe out a computer's memory or generate mountains of meaningless data.

At banks, "our review of the security measures in place have not been satisfying," the GAO said. "Given that these systems have become the foundation for international and domestic funds movements, they should have stringent security provisions and effective regulatory oversight."

Representative Edward Markey, Democrat of Massachusetts, Chairman of a House Subcommittee that released the GAO findings, called on the Federal Reserve Board and Securities and Exchange Commission to do more.

"The Fed and other banking regulators appear to lack legislative authority to oversee banking systems sufficiently," Markey said. "The Securities and Exchange Commission lacks the technical expertise."

But the regulators said they are taking steps to bolster security. Wayne Angell, a governor of the Federal Reserve System, said, "The GAO's findings represent an opportunity to tighten the implementation of a security system that we believe is exceptionally sound."

Brandin Becker, an SEC official, added, "The commission is establishing a new office with the necessary technical expertise to oversee the implementation" of the GAO recommendations.

UK minister sees buoyant oil prospects

LONDON, Feb 23, (Reuters): Prospects for British North Sea oil look buoyant with new drilling activity poised for a record this year and a continuing boom expected in offshore investment.

Energy Secretary John Wakeham said yesterday.

In a speech to the Institute of Petroleum, an industry forum, Wakeham also attacked what he called "scaresongers' allegations" about safety in the offshore oil fields.

These were unsupported by evidence and were "a profoundly unhelpful response to a long and exhaustive public inquiry which will point the way forward for North Sea safety in the 1990s."

A year-long inquiry has just completed taking evidence on the 1988 gas explosion which wrecked Occidental Petroleum Corporation's Piper Alpha production platform killing 167 men.

Britain, now pumping about two million barrels per day of crude oil, is Western Europe's biggest producer. The oil was once expected to run dry in the early 1990s but is now likely to last into the next century, industry leaders say.

"It is now clear that this country's offshore energy resources are going to last for a lot longer than was once believed," Wakeham told the Institute of Petroleum.

"Prospects in the North Sea are now looking buoyant, with new drilling activity poised to reach its highest-ever level during this year," he said.

UK team winds up visit

Move to step up investment

NICOSIA, Feb 23, (Reuters): British industrialists have visited Saudi Arabia to discuss boosting investment there to help the Saudis deal with an estimated \$20 billion (\$34 billion).

A British embassy official said the businessmen, some representing defence-related companies, ended a week-long visit yesterday after visiting Riyadh, Jeddah, Abha and the industrial city of Jubail.

"There have been lots of discussions on the various aspects of investment in Saudi Arabia but they weren't defence-oriented," the official told Reuters by telephone.

Companies represented included General Electric Co. Pk, Northern Engineering Pk which is a unit of Rolls-Royce Pk, GKN Pk, Pilkington Pk and Imperial Chemical Industries Pk.

A senior Saudi Arabian official said the delegation met Industry Minister Abdulaziz Abdullah Al Zamil, Finance and National Economy Minister Sheikh Mohammed Ali

Abul Khalil and Commerce Minister Suleiman Abdulaziz Al Salem as well as businessmen.

Referring to Western media reports that arms-related industrial schemes were discussed, the official simply said the British team did not hold talks with the Defence Ministry.

The visit was part of a programme begun by London in 1985 to encourage British companies to invest in industrial and commercial projects in Saudi Arabia, affecting its purchase of British Tornado fighters, jet trainers, helicopters, minisubmersibles and other military equipment.

Industry sources have estimated British investment could reach \$1.7 billion under the programme.

Defence analysts say the arms deals, which include construction of bases and support services, could be worth up to \$20 billion.

Saudi Arabia, the Middle East's biggest defence spender, denied in December press reports that it was facing difficulties in meeting payments on the deals.

Dollar firm, gold dives

Shares resume downward

LONDON, Feb 23, (Reuters): Shares resumed the week's downward trend in Europe today as falling Japanese stocks, fears of global interest rate rises and weak bond prices all took their toll on investors' confidence, dealers said.

The dollar closed higher despite the fact central banks sold dollars to support a falling Japanese yen. Dealers said the dollar's gains were due more to weakness in the yen and West German mark rather than inherent dollar strength.

London shares plunged to the lowest levels so far this year but found some support from scattered buying by institutions and from US stocks posting only modest losses. Business was thin and tentative, traders said.

"Until there is some stability overseas the UK market is not going to establish its own trend," a London trader said.

The Financial Times-Stock Exchange index touched a 1990 low of 2,228.3 during trading but closed 32.6 down at 2,236.6.

West German share prices fell sharply, breaking away from a week when they have tracked the bond market.

Bonds, on the other hand, firmed slightly.

The Dax index of 30 leading shares fell 30.51 points or 1.7 per cent to 1,789.64. Dealers said trading volume was thin.

The dollar closed in London a penny and a yen higher at 1.6787 marks and 147.90 yen.

"Its underlying trend at the moment is upwards because of the uncertainty elsewhere," said Carlo Galenzi, chief forward trader at Nikko Bank in London. "But that could quickly change if we get some fresh news to trade off."

The Bank of England and the US Federal Reserve both sold dollars to buy yen when the yen slumped to 146.90 to the dollar, following dollar sales overnight by the Bank of Japan.

The market believes a rise in Japanese interest rates is inevitable and this has knocked Japanese bond prices sharply and made equity traders nervous. The Bank of Japan says it still monitoring the effects of previous rate increases.

Concern that the United States may impose trade sanctions against Japan is also worrying traders.

The German mark is depressed by worries about potentially massive costs involved to West Germany in rescuing the East German economy with plans for monetary union.

Gold closed in London at \$416.20 an ounce, down \$1.55 on Thursday's finish.

Kuwait, Cairo ties lauded

Change sweeping Europe a lesson for Arab world: Egypt

CAIRO, Feb 23, (Reuters): Political and economic changes sweeping Europe showed the Arab world that political progress could only come through economic integration. Egypt's Prime Minister Atef Sedki told Arab finance ministers yesterday.

"We must realise that if economic integration between Arab states does not take place, I doubt very much that progress on political issues can be achieved," Sedki said.

He was addressing ministers and delegates from 22 Arab League members who gathered in Cairo for the day to dis-

cuss the effects of the recent political upheaval in Eastern Europe and the emergence in 1992 of an integrated European Economic Community market.

"What will the Arab nation's position be? Will it benefit from the changes? I doubt it. Will it be harmed? Most probably," Sedki said in what analysts called one of his frankest speeches.

The ministers met at Cairo's Nile-side Arab League building for the first time in more than a decade. The League moved its headquarters to Tunis to protest at Egypt's 1979 peace treaty with Israel.

Sedki said it was unfortunate that trade

between Arab states in 1987 reached only \$6.6 billion compared with \$96 billion with the rest of the world.

"We should question, is this the state on which Arab economic integration will be based?" Sedki asked.

"If Arab economic integration was a necessity in the past, today it is a challenge in the light of international changes... and all studies show it is possible."

He urged further contact and economic co-ordination between Arab states, increasing the Arab world's industrial and agricultural production and upgrading the Arab workforce.

Arab League secretary-general Chadli Kibbi, in a speech read by his assistant Asaad Al Asaad, said Arabs had to review their strategies and economic policies as the world was on the threshold of new political and social structures.

Kuwait's Finance Minister Jassim Mohamed Al Khorafi told reporters that although Arabs wish for an Arab common market, they had to realise that it was not yet possible.

"Frankly, our regional gatherings have not yet been able to co-ordinate between each other," Khorafi said.

Kuwait's trade with GCC countries

The pace quickens

KUWAIT'S imports from the Gulf Co-operation Council (GCC) states last January were estimated at KD18.219 million while exports to the GCC countries were 6.895 millions, according to figures released in Kuwait recently.

The figures issued by the Public Administration for Customs said the trade exchange between Kuwait and the other five member states of the GCC were in form of agricultural and animal products as well as industrial goods and raw materials.

According to the figures, Saudi Arabia ranked first among GCC exporters to Kuwait which exported goods worth nearly KD9.506 millions to Kuwait and imported product from Kuwait at KD3.5 millions.

Kuwait's trade with the GCC countries continued its growth, started in 1987, at accelerating rates to reach KD258.3 million (an increase of 32 per cent) in 1988. This value was close to the high levels realised in 1982 (KD284.1 million), according to Central Bank's Economic Report.

The value of Kuwait's imports from the GCC countries in 1988 totalled KD189.1 million; the noticeable increase (55 per cent) in this value compared with its level in 1987 shows the relative stability in the upward trend of these imports over the past few years.

The value of Kuwaiti imports from these countries was divided into goods of national origin (71.7 per cent) and goods of non-national origin (28.3 per cent). Further, the increase in the value of imports was also divided into the value of imported goods of national origin (56.8 per cent) and others of non-national origin (50.6 per cent).

The increased value of Kuwait's imports of goods of national origin from the GCC countries may be attributed to the increased local demand resulted from the growing competitiveness of these goods, which also justifies the expansion and growth of both industrial and agricultural sectors in these countries.

Moreover, the increased value of Kuwait's imports of goods of non-national origin from the GCC countries reflects the developing and flourishing commercial role played by these countries in the region.

Kuwait's exports to the GCC countries in 1988 totalled KD69.2 million (a decline of 5.3 per cent below their level in 1987), indicating an 8.3 per cent increase in the value of Kuwaiti exports of national origin over the previous year, against a decrease of 22.6 per cent in the value of Kuwait's exports of non-national origin.

Inflation rate steady

EEC living costs up

LUXEMBOURG, Feb 23, (Reuters): Big price rises in most member countries pushed the European Economic Community's cost of living 0.5 per cent higher last month compared with December, the bloc's statistics office Eurostat reported today.

The 12-nation community's annual inflation rate held at a provisional 5.2 per cent, however, unchanged from December. Eurostat originally put December inflation at 5.4 per cent but said it has revised the weights it gave to each country in its 1988 and 1989 calculations, slightly changing the results.

Portugal recorded the biggest January rise, 1.7 per cent, largely due to an increase in transport and telecommunications costs. At the other end of the scale, a cut in tax on audio visual equipment reduced Denmark's prices by 0.7 per cent.

Tokyo shares

Nikkei stock average: 34890.97		
(-925.87)		
Volume: 430 million		
Yen exchange rate: 146.47		
Name of stock	CI	Ch
Advantest Corp	4990	-90
Ajinomoto	2440	-60
Alps Electric	1970	-40
Amada	1830	-70
Asahi Glass	1060	-20
C. Itoh Co.	984	-13
Casio Inc.	1530	-30
Casio Comp	1540	-10
Dai Nippon Printing	2200	-80
Daiichi Sekiyu	2630	-70
Dai Nippon Ph	2680	-80
Dai Nippon Corp	2010	-30
Eisai	1960	-30
Fa. Ise Ltd.	7900	-50
Fi. Photo	4100	-10
Fi. Jitsu Ltd.	1490	-40
Hitachi Credit	1620	-80
Hitachi Koki	1960	-40
Hitachi Ltd.	1480	-10
Hitachi Metal	1520	-30
Honda Motor	1650	-40
Ito Yokado Co	3860	-210
Kajima Corp	1970	-90
Kawasaki H I	924	-42
Kobe Cast Iron	1390	-10
Kokusai Elec.	4160	-80
Konami Ltd.	1100	-10
Kyocera Corp	6410	-40
Matsushita Ind	3000	+20
Mitsubishi Ind	3140	-40
Mar Electric	2070	-30
Mazda M C	905	-25
Mitsubishi Corp	1530	-50
Mitsubishi Estate	2110	-0
Mitsubishi F I	1020	-20
Mitsubishi R E	2420	-80
Mizuno Corp	1830	-20
Mochida Ph	4240	-80
Mori Seiki Co.	3810	-140
NEC Corp	1840	-20
Nikon Corp	1460	-40
Nippon Shoji Co	1380	-20
Nippon Steel Corp	670	-20
Nipponondoso	2260	-40
Nissan Corp	1570	+10
Nomura Sec	2870	-80
Okuma Mach	1720	-40
Osaka K Co.	2060	-130
Orix Corp	5500	-50
Pioneer Elec Co.	5880	-0
Renovus Look Inc	2310	-30
Sanyo Elec Co.	911	-24
Secom Co., Ltd.	5830	-180
Shimadzu Corp	1640	-40
Shimadzu Elec	1310	-90
Sony Corp	7900	-30
Sunimont Elec Ind.	1540	-30
Sunimont Metal Ind.	751	-17
Takeda Chemical	2060	-130
TDK Corp	5800	-140
Tokio Marine & Fire	1830	-20
Tokyo Elec Power	5330	-100
Tokyo Electron Ltd	3320	-60
Toppan Printing	2080	-20
Tony Ind Inc.	918	-15
Toshiba Corp	1120	-40
Toyota Motor	2320	-60
Yaskawa Elec	1140	-20
Provided by Nomura Investment Banking (Midwest), Bahrain		

The Banktiji Offshore Fund Limited

BID KD 11.210

OFFER* KD 11.444

*Includes 2% front end fee

Continuous growth...

Commercial Bank البنك التجاري

Arabs invested \$150b abroad

A LEADING Kuwaiti economist and a former minister of finance has said that Arab Gulf governments must draw plans for attracting substantial financial resources belonging to the private sector but deposited outside the region.

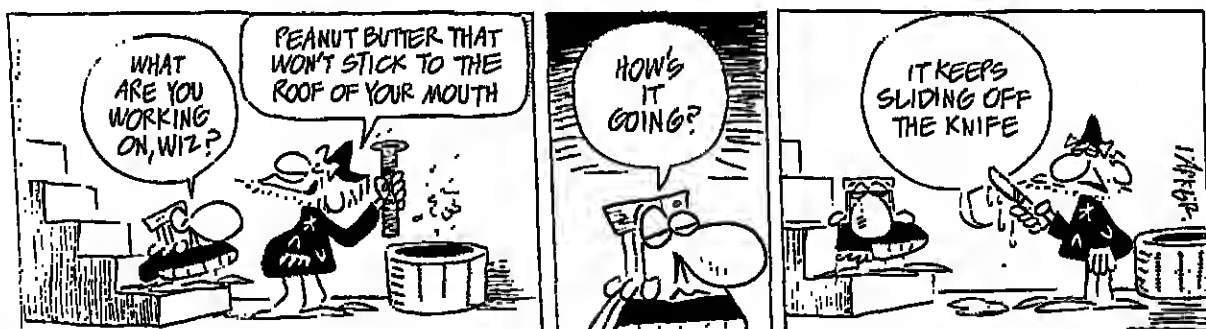
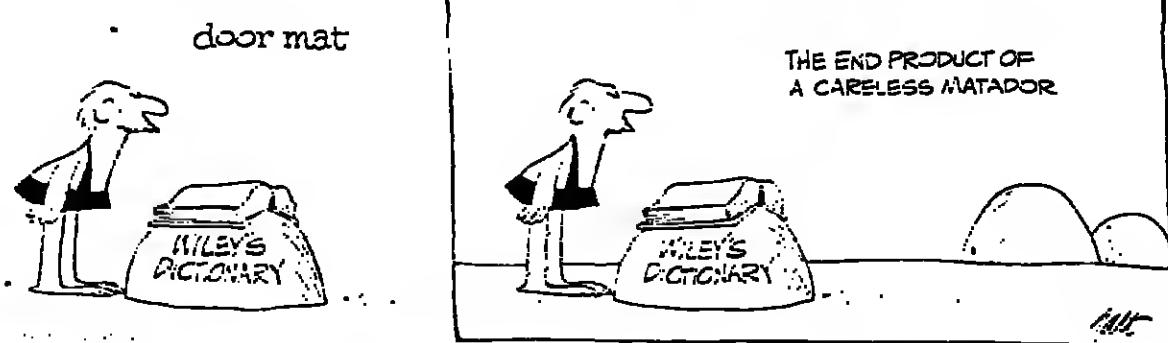
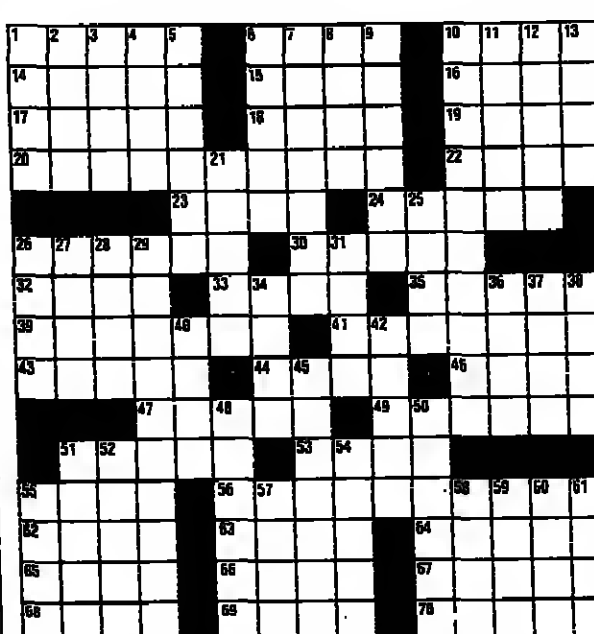
Abdullah Al Hamad, board chairman and general manager of the Arab Fund for Economic and Social Development, contended that about \$150 billion was invested outside member states of the Gulf Co-operation Council.

Al Hamad's remarks were made during a lecture he presented recently on future obstacles facing the GCC in various aspects of the economy and finance.

"These assets must be attracted to the region under a carefully drawn plan to reactivate the economic situation in the area," Hamad emphasised.

He pointed out that GCC countries are working smoothly toward specialisation and turning publicly owned corporations to the private sector.

He drew a bright picture for the coming years for oil producing states, saying that oil prices will climb again to the \$30 a barrel ceiling under

BLONDIE By Dean Young & Stan Drake**HAGAR THE HORRIBLE** By Dik Browne**AGATHA CRUMM** By Bill Hoest**BEETLE BAILEY** By Mort Walker**THE WIZARD OF ID** By Brian Parker & Johnny Hart**ANDY CAPP****B.C.** By Johnny Hart**HE-MAN** By G. Forton & J. Shull**TODAY'S CROSSWORD****ACROSS**

1 Chicago airport
6 Develop
10 Pasty, the gollar
14 Actress Erin
15 Incarnation of Vishnu
16 Susiana
17 Stop, nautically
18 Ancient lyra
19 Tops
20 Mr. Fixit's
22 Second word of a fairy tale
23 Small hill
24 Davourad
25 Weakened
30 Singer from Malbourne
32 — bargain
33 Exploit
35 — Park, Colo.
39 Accumulated
41 "He was not born —"; Shak.
43 Fight
44 Pastarant critic Greene
46 Pass by
47 Travels by bus
49 Motives
51 Fashion writer's concern
53 Spelunker's milieu
55 Pith's bull
56 Slip joint?
62 Accompanied by
63 Sutherland solo
64 Historic city on the Nile
65 Reverberate
66 Flaps
67 Actress Burstyn
68 "Asleep in the —"
69 "Waiting for the —"
70 Dingles

DOWN

1 Khayyam
2 Threw with force
3 "I don't giva
4 Tabula —
5 Having nothing left out
6 Lawn
7 Bacon units
8 Malvilla novel
9 Distorted
10 Place of transformation
11 One way to marry
12 Continued without pause
13 Feda
21 Range of hills
25 Hoosier humorist
George and family
26 Restorative resorts
27 Egyptian dancing girl
28 — moss
29 Napoleon's place?
31 Major ending
34 Gambling chance
36 Domesticate
37 Actor Jennings left out
38 Put down, at bridge
40 Smudge
42 Shade of green
45 Attribute
48 Political argument
50 Site of Castle AFB
51 Flavor enhancer
52 A church tax
54 Demean
55 Overcome by variation
57 Inland sea
58 Store avert
59 Capitol
60 City on the Oka
61 Lily, the diva

ANSWER TO PREVIOUS PUZZLE:
DAYS SLIDE ALAMO
MERIE CELL PATER
ARID RIGA ATONE
ROMULUS ANDREUS
LAB ETE
ASITOR EBB NAPA
CLOUD KRAUT NEB
HANSEL AND GRETTEL
EKG RINSE ATTAL
SIAL NET CHEST
OLD WEE
DIZITIE AND HARRIET
ROUTE ORAN ESTE
JONER VALE ALTA
EMIRIS AGEIS LEEK

GOREN BRIDGE

BY CHARLES GOREN AND OMAR SHARIF
ANSWERS TO WEEKLY BRIDGE QUIZ

Q.1—Both vulnerable, as South you hold:
♠ 96542 ♠ J63 ♠ Q8 ♠ 1053
The bidding has proceeded:
North East South West
1 ♠ Dbl ?
What action do you take?
A.—You have nothing to contribute on defense and very little on offense. If you raise spades to any level, all you will accomplish is to highlight spade shortness in the enemy hands. Pass.

Q.2—Both vulnerable, as South you hold:
♠ 96542 ♠ 76 ♠ KJ83 ♠ 732
The bidding has proceeded:
North East South West
1 ♠ Dbl ?
What action do you take?
A.—You have little in defensive values, but you can expect your hand to produce several tricks on offense. Jump to three spades. After the takeout double the jump raise becomes preemptive, not forcing.

Q.3—Both vulnerable, as South you hold:
♠ K762 ♠ 83 ♠ QJ95 ♠ Q72
The bidding has proceeded:
North East South West
1 ♠ Dbl ?
What action do you take?
A.—Ignore the takeout double and make the same response you would have made had East passed. Since you would normally have raised to two spades, make that bid now.

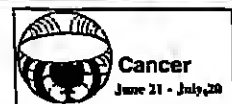
Q.4—Both vulnerable, as South you hold:
♠ K762 ♠ A3 ♠ QJ95 ♠ J72
The bidding has proceeded:
North East South West
1 ♠ Dbl ?
What action do you take?
A.—All good hands with a sound 10 points or better; start with a redouble. So redouble now and then support spades at your next turn. That describes your hand to a tee.

Q.5—Both vulnerable, as South you hold:
♠ 83 ♠ AQ95 ♠ QJ95 ♠ K102
The bidding has proceeded:
North East South West
1 ♠ Dbl ?
What action do you take?
A.—As in the previous example, show your strong hand by redoubling. That says nothing about spades—it asks partner to give you the courtesy of the road over any runout by the enemy, so you can double for penalties if you wish.

Q.6—Both vulnerable, as South you hold:
♠ 83 ♠ Q105 ♠ QJ95 ♠ K1042
The bidding has proceeded:
North East South West
1 ♠ Dbl ?
What action do you take?
A.—Again, ignore the double and make the bid you would have made had East passed instead. One no trump is the clear-cut action.

**YOUR STARS**

Aries
March 21 - April 19
You are likely to make a mistake in your calculations and you should therefore check them carefully. Something you had been planning to do will not work out according to plan. Never mind, it will turn out to have been for the better.



Cancer
June 21 - July 20
You should show a little more goodwill towards others. And do try not to take offense quite so easily. You are likely to tire quickly and should try to get enough rest but also take a little more exercise. Be respectful.



Libra
Sept 23 - Oct 22
If you attempt to do too many things all at once you will end up by doing none of them properly. You are all too liable to get into bad habits, have another look at yourself. Be reliable.



Capricorn
Dec 21 - Jan 19
You will tend to be forgetful, so do not rely too much on your memory. Do not trust to luck or just hope that something that could well happen will not. Instead try to leave as little as possible to chance. Be truthful.



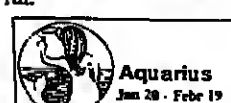
Taurus
April 21 - May 20
You will be annoyed by some petty setback and should instead try to take it in your stride. Your digestion will trouble you, and you should stick to more conventional foods. Do your best to stay on good terms with your colleagues. Be respectable.



Leo
July 21 - Aug 21
Something you had hoped would not happen, but you will know how to cope with it. A tendency to exaggerate and to go to extremes should be resisted. You should make sure you do not break a promise. Be alert.



Scorpio
Oct 23 - Nov 22
There is a better way of dealing with a routine matter only you must be prepared to learn a few new things. You should have a little more faith in yourself. Do not allow work to encroach upon your private life. Be tactful.



Aquarius
Jan 20 - Feb 19
You should not be so fond of the sound of your own voice. Instead listen more carefully to what others are saying. You are liable to take too much for granted and should refrain from so doing. And do not underestimate the ability of others. Be moderate.



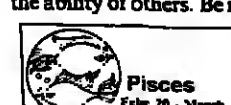
Gemini
May 21 - June 20
You are more prone to infection and should take some elementary precautions. There is a greater risk of burglary so do not leave any doors or windows unlocked. Others will not behave just as you would wish them to. Be observant.



Virgo
Aug 23 - Sept 22
Everything is taking just that much longer so do not linger or otherwise waste time. Ensure that you are not late for an appointment. Your lucky numbers are 20 and 37. Do not expect others to do for you what you know you should really do for yourself. Be loyal.



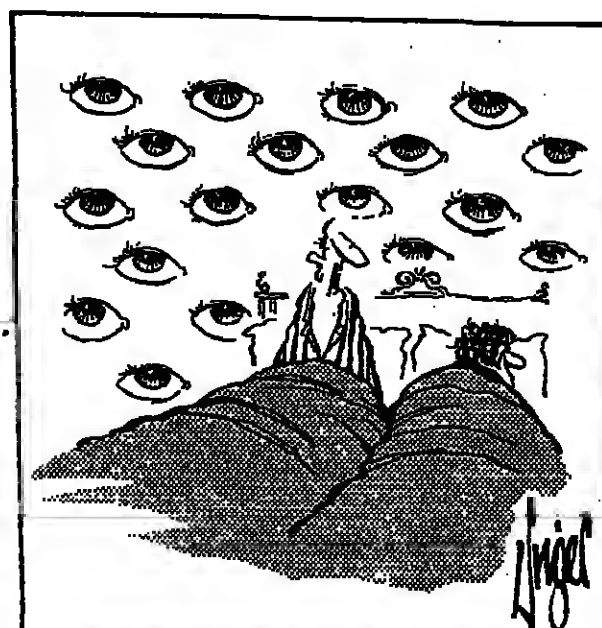
Sagittarius
Nov 23 - Dec 20
You will be able to make good progress at work, but only if you work really hard without allowing yourself to be distracted. A good idea will help you to deal with an unusual problem. Be sincere.



Pisces
Feb 20 - March 20
There will not be time to do all you would like to do so do first what has to be done. Also try to spend a little more time with your partner and children. Do not hesitate to have a good laugh at yourself. Be consistent.



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"It's no use. I can't sleep with this wallpaper."

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(AT5-HUS-3)

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MUGRA, Khaldoun Street, one
room, furnished, with tale,
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4740801, 2644645, res.

(AT5-51628-3)

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electricity for Pakistani and Indian
families. Bus route 14, 37, 38, 18,
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(AT5-51620-3)

SHARQ, behind the fire brigade, 4
bedroom apartment, available
from March. Rent KD170. Tele.
2419327, upto 8 pm.

(AT5-51604-3)

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in a double bedroom flat for
bachelors or family. Tele. Habibur
Rahman, 5723299 am-1 pm, 4-9
pm.

(AT5-51602-3)

SHARQ, near the bus stop,
Spacious room with or without
meals for 2 bachelors or working
girls. Tele. Mrs. Jaffar, 2453924, 8
am-1:30 pm, 6-8:30 pm.

(AT5-51601-3)

MAIDAN Hawalli, near the Union
Hall. One room with telephone
facilities for 1 or 2 bachelors to
share with a Goan family. Rent
KD 55. Tele 5639832, after 3 pm.

(AT5-51640-3)

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chen facilities, for single or two
bachelors, in a 2-bedroom flat.
Very convenient location. Tele.
Garvalho, 2418634, 2418650.

(AT5-51813-3)

SALWA, House 196, Block 7,
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tricity and separate kitchen for a
family or bachelors to share with
an Indian family. Rent KD50. Tele.
5611243.

(AT5-51603-3)

MAIDAN Hawalli. Accommoda-
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gloren bachelors to share with
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after 12:30 pm.

(AT1-51644-2)

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(AT1-51646-2)

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(AT5-51639-2)

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(AT1-51652-3)

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Hasan Sultan, 2454236, 8-1 pm,
4-7 pm, or 5381289, after 8 pm.

(AT5-51609-3)

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pm, 3902063, after 4:30 pm.

(AT5-51594-3)

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(AT5-51636-3)

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from 15-3-90. Tele 2615688, 5:30-
8:30 pm only.

(AT5-51625-3)

FLAT for sale in Jabriya, 2
bedrooms, AC, rent KD165 with
water. Reasonable price. Tele.
5323890.

(AT5-51614-3)

GARAGE sale: All household
equipment, furniture, dryer, clothes,
plants, garden furniture etc. at
Salwa, Area 2, Street 9, House 65.
(AT5-51593-3)

HOUSEHOLD furniture, Westing-
house refrigerator, carpet, and
Philips TV 26", white, in good
condition, and good price. Tele
3720317.

(AT6-51634-2)

SOFA sets and other furniture,
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furniture. Tele. 2662235.

(AT5-51599-3)

CONTENTS of one bedroom flat
in Farwaniya for sale. Cheap
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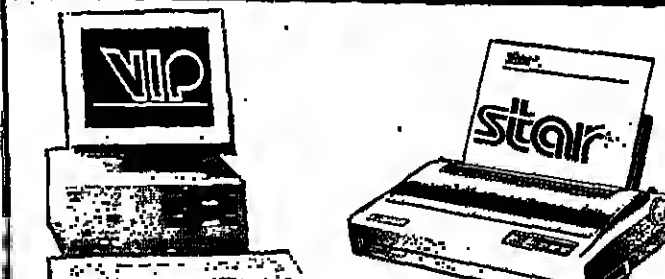
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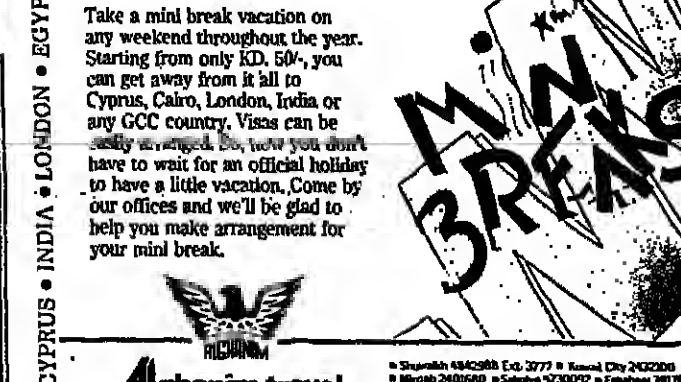
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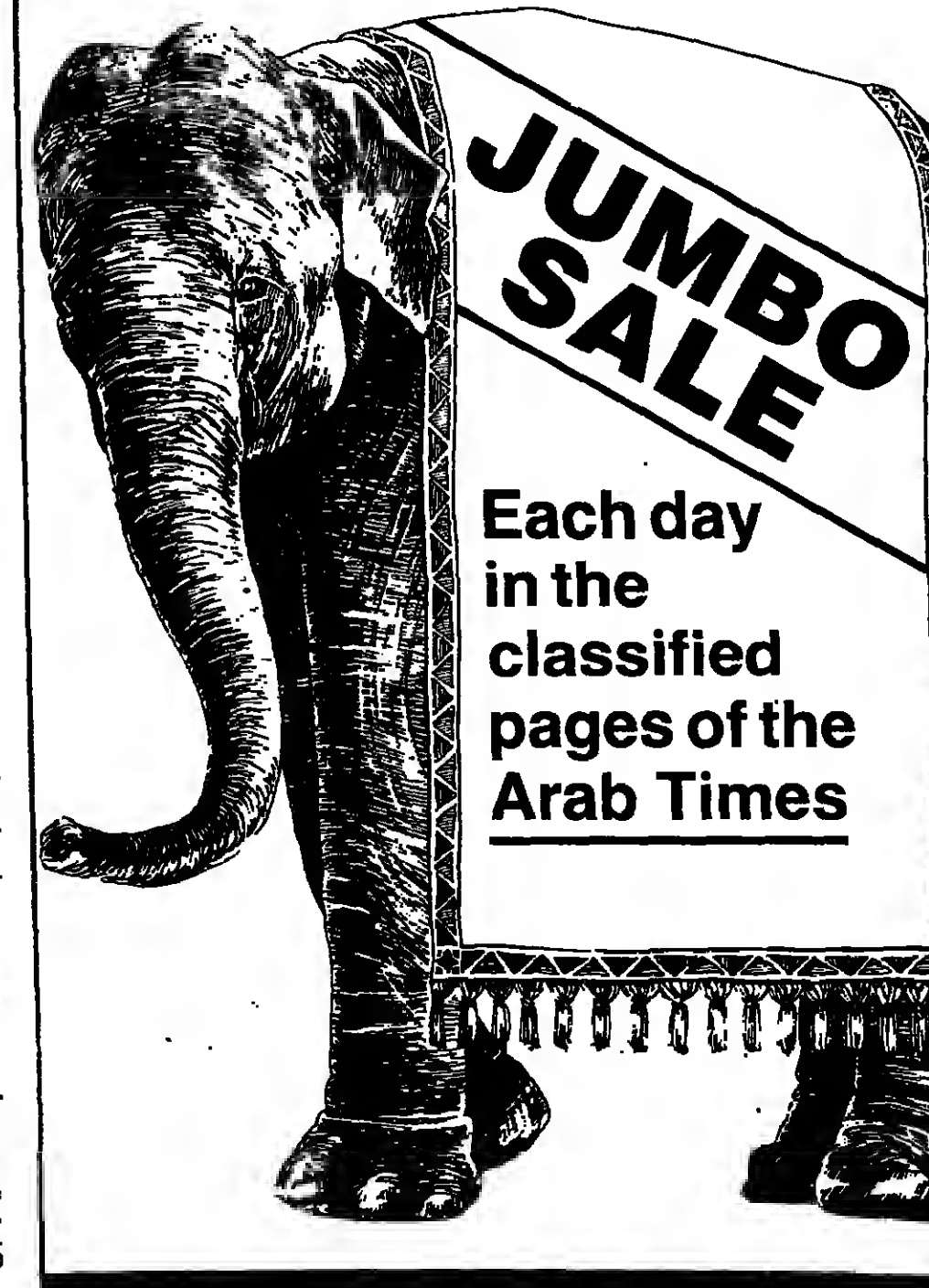
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EVENTS



KAC ex-employees honoured

The reservations staff of Kuwait Airways Corporation held a farewell party at the Meridien Hotel under the sponsorship of the Assistant Commercial Manager, Ahmad Al Hilal. The party was attended by 150 reservation employees at the company and a number of senior officials.

Hilal presented two gifts, on behalf of the reservation staff, to Nader Dwaider and Sounia Erhah who resigned recently. Both of the honourees have served the company for a long time and they were also given letters of gratitude and other gifts.



Ambassador of Sri Lanka distributes prizes

Latif Sheriffdeen, ambassador of Sri Lanka, presents the Airlanka free ticket to H.J.S. Kumarasinghe, winner of the raffle held on the occasion of the Sri Lanka National Day Sportsmeet. The awards were given at a dinner held at Ramada Al Salem Hotel.

CINEMA

Al Andalus
Hall booked
Al Salmiya
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Al Hamra
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Al Jabra
The Survivalist
Granada
Enter the Dragon
Salabikhat
Arabic film
Jeech
Accident Swagatham
Akasadi Drive-in
Arabic film

PRAYERS

Fajr	5.00 am
Zohr	12.01 pm
Asr	3.17
Maghreb	5.43
Isha	7.01

WHAT'S ON

ARTS

Hobby Centre
FELTCRAFT as a medium for children to make pictures, flowers, toys etc. with felt. This new craft course will start February 27th and March 4th for 6 weeks for children from 8 years old. Tel: 5618847, 5317354

Seminar
The seminar at the DAA, on Arabic and European Art in The Light of Zodiacal Symbolism has been postponed. It will be given during the period Feb 11 - March 11, 1990. Morning sessions on Sunday and Tuesday 11.00 - 12.30 am or evening sessions on Sunday and Tuesday 6.00 - 7.30 pm. Registration, maybe made by phoning the Det. Al Vihar Al Islamiyyah, Tel: 2430836, 2453259.

SOCIAL

Flute recital
PRESENTED by a group of 4 young Austrian artists at the Kuwait International Hotel on 24th February at 8.00 pm. Winners of the first prize at the Youth Musicians Festival in Austria, they have recorded for the radio and television in Italy, Luxembourg, Switzerland, USSR, Egypt and Austria. In the Terrace Room. Tel: 2530000 ext 8039/8040

Children's variety show

RANGDHANU, a children's variety show, which includes a play, will be staged on March 1, Thursday at the Theatre Hall of Kuwait University Law Faculty, Shuwaikh campus, at 6.30 pm. For cards contact 4840759, 4312730, 4312280, 4733106 or 3729425.

Guan Welfare Society
MARCH 2 - Friday Guan Welfare Society meeting will be held at Ramada Salam Hotel on 2nd March at 10 am followed by a reception at 12 noon for the Guan football team who won the exhibition match recently in Kuwait Goa vs Kerala.

Sultan Gallery
INDIAN artist Shamima Farid is showing a collection of her latest works at the Sultan Gallery, near Rolls Royce showroom. A wide selection of subjects are featured in the paintings of the artist, who has exhibited widely in Kuwait and overseas. However, this is Shamima's first solo-exhibition in Kuwait. Open daily from 9 am to 1 pm and 4 to 5 pm.

ACT'S production of the Skin of Our Teeth at U.A.S. Salwa, 8 pm, Feb 27, 28 and March 1. Directed by George Platitz. For reservations please call 5725071, 5731782.

Robbie in the lobby

ROBBIE 2002 a remote control robot over 1.2 metre tall will be performing in the main lobby of the Kuwait International Hotel on 23rd, 24th and 25th February at 2.00 pm and 6.00 pm. It can greet, talk, rotate, bow backwards and forwards, tap dance and perform many other tricks to entertain children of all ages. It has made over 200 television appearances the most successful being the British TV Quiz show 3.2.1 having over 17 million viewers and was seen across the world. Tickets on sale now. KD1,000 per person. Tel: 2530000 ext 8040.

Rainbow and Philippine Youth Band performance
ON the occasion of Kuwait's National Day, the Rainbow Band and the Philippine Youth Band will be performing at 4.00 to 7.00 pm on February 22 to February 25 at the Entertainment City-Doha.

Israa & Miraj function
LECTURES on Israa & Miraj by well renowned persons at Masjid Al Abu Baker, 50, Shara Istiqlal, Dasmab (near Indian embassy) on 25.2.1990 at 5.30 pm.

Kuwait Welsh Society
ST. DAVID'S Day buffet dinner Thursday, 1st March 1990 at Messiah Beach Hotel. For more information ring 371346, 3912384, 5625316.

KTV 1

9.00 The Opening and Holy Quran
9.15 Cartoons
9.45 Allah Ya Hob Al Watan: Local children play
10.30 Varieties
11.00 Children feature film
12.45 National varieties
1.00 News summary
1.05 The World Today via Satellite (repetition)
1.30 Eidak Ya Watan: Local programme which includes national varieties and some interviews and other varieties like (1) Saham Al Fadha: Cartoon serial (2) Wa Qala: Hakeem: Historical serial (3) Noor Al Islam: Religious programme (4) Security and Citizens: Local programme
9.00 News in Arabic
9.45 National variety
10.15 Thaib Al Nashama: Beduin serial, starring Ghanem Al Saleh, Ali Al Mufeedi, and Rouhi Al Safadi.
1.15 News Summary
1.20 The World Today via Satellite
1.45 Holy Quran and Cutdown

KTV 2

5.00 Opening announcement & Holy Quran
5.10 Walt Disney cartoons: 'Disney goes to the Academy Awards. A look at Disney movies and cartoons during 50 years.
6.00 Childrens Film: 'Huckleberry Finn'. The river adventures of Mark Twain's scapegrace hero.
8.00 News in English
8.30 A documentary information programme.
9.00 Quantum Leap: 'Americanisation of Machico'. Charlie's dad refuses to accept Machico as his son's wife. Sam, with the help of the invisible man, has to make her an acceptable daughter-in-law.
10.00 The Ultimate Stuntman: A tribute to Dar Robinson. The man of stunt movements who participated in almost every film made in Hollywood.
11.00 Feature film: 'Desperado: The Outlaw Wars'. Starring: Randolph Scott, Glenn Ford, Evelyn Keyes. A gunman rides into town to cause trouble, instead he finds romance and renews an old friendship.
12.00 News in Brief
12.30 Magazine D'Actualite

● All entries for the What's On Column can be sent by telex (222332) to Events Section or hand delivered daily, except Thursdays, from 12 noon to 4 pm, at the Arab Times Office in Shuwaikh. Photographs will also be considered for publication. Phoned-in entries will not be accepted.

SPORTS

Cup favourites fail to impress
Dutch, Italians draw 0-0

ROTTERDAM, Feb 23. (Reuters): The Netherlands and Italy, among the hot favourites to win this summer's World Cup, again failed to impress during a tedious and goalless soccer friendly played out in a half-empty stadium on Wednesday.

The Dutch, missing only their inspirational skipper Ruud Gullit, lacked the imagination which made them 1988 European champions while the World Cup hosts now have a miserable scoring record on only one goal from their last five games.

The closest either came to finding the net was a 20-metre drive from Ajax Amsterdam midfielder Jan Wouters two minutes after halftime which thudded back off the inside of a post with Italian goalkeeper Walter Zenga beaten.

Italy's best chance fell to defender Pietro Vierchowod 12

minutes later when he raced on to a Carlo Ancelotti through ball, springing the Dutch offside trap.

His clear run was halted 25 metres out by a reckless neck-high challenge from Dutch goalkeeper Hans van Breckelen which brought the Dutchman the game's only yellow card.

Vierchowod was lucky to escape a caution himself for a series of late tackles on European Footballer of the Year Marco van Basten in an untidy game littered with petty fouls.

Van Basten was replaced midway through the second half by PSV Eindhoven striker Wim Kieft. Van Basten's AC Milan and Netherlands team-mate Frank Rijkaard played just the first half.

The Italian club had requested the pair only 45 minutes each to help keep them fresh for coming club commitments.

The Dutch fielded nine of their

1988 European championship team with John Bosman deputising for Gullit and 20-year-old Richard Witschge of Ajax making his debut in the left midfield, a problem position since Arnold Muhren retired two years ago.

However, their passing often went astray with Barcelona libero Ronald Koeman wasting possession with alarming frequency.

The Italians, without four of their most gifted players, dominated early on with Roma midfielder Giuseppe Giannini hammering a half volley just past the upright after six minutes.

They again went close on the half-hour as Witschge gave the ball away to Fernando de Napoli, who sent Napoli team-mate Andrea Carnevale away on the right. But Witschge scurried back to clear the cross before it reached the unmarked Roberto

Baggio.

Zenga had to sprint from his line to whisk a Wouters pass off Gerald Vanenburg's toe after 52 minutes and later parried an awkward bouncing shot from Erwin Koeman.

The Italians made three second half substitutions but failed to add any spark as the game petered out to a draw.

"I saw just 25 minutes of reasonable soccer and the game overall was disappointment to me," said assistant Dutch coach, Nol de Ruiter, deputising for a convalescent Thijs Libregts.

"I took Van Basten off because he didn't contribute enough in the second half," De Ruiter said, adding that Rijkaard was suffering a knee injury. Gullit, who has a serious injury which could rule him out of the World Cup finals, was clearly missed.

Belgium hold Sweden

BRUSSELS, Belgium, Feb 23. (AP): Belgium's goalies made some remarkable saves Wednesday to thwart Sweden's attacks as the two teams played to a goalless draw in a World Cup preparation game.

A crowd of 9,000 often booed Belgian coach Walter Meeuws and his team, which played its third successive mediocre match.

Meeuws has been increasingly criticised after Belgium only drew 1-1 at home against Luxembourg to qualify for the World Cup and lost 2-0 in Athens against Greece in a first exhibition game.

Sweden looked sharper throughout the match and but bad luck and excellent saves by Belgian goalies Michel Preud'Homme and Filip Dewilde denied the team any goals.

Both teams started out hesitantly and had problems throughout the first half to set up fluent combinations. Belgium tried to weave closely-knit passing pattern in midfield but was bothered by the bumpy field.

Chances were few, Ajax striker



Preud'Homme (left) saves a shot from Pettarsson. (Reuters wirephoto)

Pettarsson was a few inches short to smash home a loose ball in a goalmouth scramble in the 11th minute but Preud'Homme scrambled well to deny him the chance.

A minute later Sweden's

goalie, Thomas Ravelli, had to be just as alert to push a left-foot half-volley of Belgian striker Michel Degryse in corner. It proved the only memorable attack from Belgium in the match.

Two major US Leagues merge

NEW YORK, Feb 23. (Reuters): The United States took a big step towards a National Soccer League yesterday when two major regional leagues announced they were merging to form the American Professional Soccer League.

The Western Soccer League and the American Soccer League, whose members are all Eastern teams, issued a joint announcement saying that after a year of negotiations they were immediately uniting their business and marketing operations to try to attract funding from major corporations.

They will operate different schedules for this year at least, with the two champions meeting in a playoff, but will continue working on a combined schedule.

Spain score 1-0 victory

ALICANTE, Spain, Feb 23. (Reuters): A first half goal from winger Manolo Sanchez was enough for World Cup favorites Spain to beat Czechoslovakia 1-0 in a friendly soccer international on Wednesday.

In one of the less inspired moments of a mostly scrappy match, Manolo trapped a 42nd minute cross from midfielder Roberto Fernandez in the penalty area and dribbled round a defender before drilling the ball home.

The victory was Spain's first against Czechoslovakia since 1967.

Spain attacked consistently in the first half and opened up several scoring opportunities while the Czechoslovaks, without a number of their leading players, were despondent only in occasional counter-attacks.

Spain's coach Luis Suarez said he was satisfied with the performance of his team against Czechoslovakia, who were also using the game as a warm-up for the finals in Italy in June.

"It was positive for us and I think we played well because the Czechs were an awkward team to handle," he said.

The Czechoslovak defenders dominated in the penalty area because of their superior height, and the Spanish forwards ultimately resorted to shooting from a distance.

The second half lacked rhythm, with Spain replacing five players and the Czechoslovaks making two substitutions.

Spain are in Group E for the first round of the finals, with Belgium, Uruguay and South Korea, while Czechoslovakia will play in Group A with hosts Italy, Austria and the United States.

King sues Douglas for \$75 million

NEW YORK, Feb 23. (Reuters): Boxing promoter Don King filed a breach of contract suit against new heavyweight champion James "Buster" Douglas on Thursday and sought an injunction to block him from defending his title without King's permission.

King took the action in Manhattan Federal Court against Douglas and his manager John Johnson, as a suit was filed against him in Nevada to invalidate his claim that he has options to promote Douglas' next five fights.

The court moves could upset plans for Douglas to defend his title against top-ranked contender Evander Holyfield later this year. Promoter Bob Arum said on Wednesday that the fight depended on the outcome of any lawsuits.

The suit filed by Don King Productions, seeking a total of at least \$75 million in damages, also named the Mirage Hotel in Las Vegas and its parent company, Golden Nugget, which have offered Douglas \$25 million to defend his title against Holyfield at the Mirage.

King alleged that Golden Nugget and Mirage interfered with a contract he had with Douglas to represent him in future bouts if he was named "undisputed world heavyweight champion" after his bout against Mike Tyson in Tokyo on February 11.

Douglas knocked out the previously undefeated Tyson in one of the most stunning upsets in boxing history, sabotaging plans for a fight between Tyson and Holyfield. King has since been trying to arrange a Tyson-Douglas rematch.

Mirage and Golden Nugget launched a court offensive of its own against King in Nevada, arguing that the state's athletic commission has a rule banning promoters from having opinion on fighters.

Holyfield's camp said earlier yesterday that it did not expect to have a problem with the Mirage's proposal.

"Although we have yet to receive any offers from the Mirage, we do not anticipate any difficulty in reaching an agreement for the multimillion dollar bout," promoter Dan Duva said in a statement.

"We look forward to meeting with representatives of Douglas and the Mirage as soon as possible."

Holyfield's manager, Ken Sanders, said in



Breland at a press conference in London on Thursday to promote his fight. (Reuters wirephoto)

a statement he understood that the Mirage was "prepared to offer Holyfield more than he has been offered for any other bout for the fight against Douglas."

World champion Mark Breland intends knocking out Britain's Lloyd Honeyghan in their World Boxing Association (WBA) welterweight title fight on March 3 before graduating to a heavier division.

"I realise this is it for me. This is the height of my career. My ambition is to become the unified champion and then to move up a weight," Breland told a news conference.

"If I catch him right it will be a knockout." Breland, the 1984 Olympic gold medalist who is defending the title for the fourth time since winning it back last year, said he wanted a shot at the junior-middleweight crown as soon as possible.

Thomas Hearns, winner of championships in five weight classes, says he'd like to put on a

few pounds and take on former heavyweight champion Mike Tyson.

"Everybody wants a piece of him now," Hearn said, according to Wednesday's editions of his hometown newspaper, the Detroit Free Press.

"I'm a walking-around 182 pounds (82 kilograms) right now, so I can get near enough to 200 pounds (90 kilograms)," Hearn said. "If Tyson will come down 20 pounds (9 kilograms) to 200 and train the way he did for Buster Douglas, I'd fight him in a minute."

Five-time world boxing champion Sugar Ray Leonard says he does not feel any burning desire fight again unless the phone should ring with a challenge from marvellous Marvin Hagler.

"At this point in my career it has to be for a damn good reason to fight again," Leonard, 33, said.

"It has to be for a big reason and no one else presents that kind of motivation," than Hagler," he said.

Leonard and Hagler squared off only once, on April 6, 1987 in Las Vegas. In a remarkable performance from a man who had not fought in more than two years, Leonard ducked and weaved, jabbed and covered up to snatch a 12-round split decision victory that ended Hagler's seven year championship reign.

Since then Leonard registered big payday victories over Canadian Donny Lalonde and Panama's Roberto Duran and fought to a draw with fellow American Tommy Hearns.

Hagler left boxing after the Leonard bout and moved to Italy to pursue an acting career.

But the recent financial success of peers such as Leonard, Duran, Hearn, and former heavyweight champion George Foreman in the so-called senior circuit have prompted rumours in the boxing world of Hagler's return to the ring.

And a return of the menacing Hagler is just what it will take for Leonard to put on the gloves and get back in shape.

"It has to be something I can get up for and it is tough for me to get up for just anyone," Leonard said. "For me it has to be a stimulus ... so I can put myself through that kind of training regimen again."

King sues Douglas for \$75 million

Imran to donate \$55,000 award to charity

MELBOURNE, Australia, Feb. 23, (AP)—Pakistan captain Imran Khan said yesterday he would donate his winnings as International Cricketer of the Year towards establishing a cancer hospital in Pakistan.

Imran won a \$55,000 four-wheel drive vehicle after edging Australian batsman Dean Jones by 1.1 points in the award that was announced yesterday.

Imran, who is leading Pakistan into the

World Series Cup finals series beginning against Australia, said he and his teammates had decided not to split up the proceeds among the touring party as was usually the case.

"I am happy to say that we all decided to donate the proceeds of the car to a cancer hospital which I am trying to set up in Pakistan," Imran said. "Some good is going to be done for winning the prize."

Jones scored three Test centuries this season, is the leading one-day batsman and had been leading the voting until Tuesday's final one-day qualifying match in Sydney.

Imran needed the maximum 15 votes from the two umpires and three Australian television commentators to overtake Jones and received them after sending down a double-wicket maiden final over to bowl Pakistan to victory. He had earlier scored 56 runs.

Only three Australians have won the award since its inception in 1979-80.

Fast bowler Dennis Lillee won in 1980-81 while off-spinner Bruce Yardley was successful the following year and current Test batsman David Boon claimed the award in 1987-88.

West Indian captain Viv Richards has won the award three times, in 1979-80, 1983-84 and 1984-85.

England draw with Jamaica

KINGSTON, Jamaica, Feb. 23, (Reuters)—Wayne Larkins destroyed the inexperienced Jamaican attack with a spectacular 124 as England last match before the first cricket Test against West Indies predictably ended in a draw on Wednesday.

After bowling Jamaica out for 311 to gain a first innings lead of 94, England declared at 248 for four to give themselves brief bowling practice.

Jamaica had made 44 for two in 14 overs by the end of the third and final day.

opener Larkins faced only 123 balls and retired with the score at 180 for one from 41 overs. Supposedly he had cramped, but almost certainly he left the field to allow the middle order some batting practice.

Larkins blasted 21 from the final over he faced, hitting off-spinner Nehemiah Perry for two huge sixes as well as two fives.

But with the exception of Larkins, who hit 15 fives and four sixes in his second hundred of the tour, none of the England batsmen played with any authority on a docile pitch.

Robin Smith and Allan Lamb were both bowled by balls from Cive Chantel which kept low, Smith falling third ball for a duck and Lamb spending 13 overs over 17.

Alec Stewart, sent in to open by Graham Gooch who dropped him from the order, looked far from confident.

Stewart made 39 off 111 balls but of a first wicket stand of 137 in 35 overs and was completely overwhelmed by Larkins, despite having more of the strike. After being dropped twice he was left trying to sweep Perry.

Nasser Hussain moved quickly to 24 but then drove over a full length ball from Banton and lost his off-stump.

Earlier, England had taken the last three Jamaican wickets in 12.1 overs after the home side had resumed at 259 for seven.

Once England had removed Robert Haynes, who was "out" two short of a maiden ending a 68-run partnership, the innings was swiftly wrapped up by the second new ball.

Gooch accounted for Haynes, who was caught at mid-on having hit 13 fives and a six in his 118-ball stay, the dismissal ending a 68-run partnership for the eighth wicket with Perry.

Devon Malcolm bowled Carlton Carter through the gate and Angus Fraser had Perry caught and bowled with only one delivery of the morning.

Scoreboard

ENGLAND first innings 405 (G. Gooch 229)

JAMAICA first innings 311 (R. Haynes 98)

ENGLAND second innings

A. Stewart lbw b Perry 39

W. Larkins retired hurt 124

A. Lamb b Banton 17

R. Smith b Banton 10

N. Hussain b Banton 24

C. Chantel not out 12

R. Russell not out 10

Extras (b-8, lb-9, nb-9) 22

Total (four wickets declared) 248

Fall of wickets: 1-137, 2-180, 3-203, 4-225.

Bowling: Banton 18-3-64-3, Williams 14-5-25-0, Perry 18-1-83-1, Carter 10-0-53-0.

JAMAICA second innings

R. Samuel c Smith b Fraser 5

R. Staple c Hemmings b Malcolm 25

J. Adams not out 10

L. Williams not out 0

Extras (b-4) 4

Total (two wickets) 44

Fall of wickets: 1-12, 2-41, 3-131, 4-248.

Bowling: Fraser 7-3-13-1, Malcolm 7-1-27-1.

Result: Match drawn.

Azharuddin slams ton

Indians rally against Kiwis

AUCKLAND, New Zealand, Feb. 23, (Reuters)—A sparkling 130 from captain Mohammed Azharuddin lifted India from crisis as they chased New Zealand's total of 391 on the second day of the third Test today.

Struggling on 71 for three at one stage, India fought back to 316 for seven when bad light stopped a magnificent day's play with 8.5 overs still to be bowled.

Azharuddin and his predecessor as captain, Dilip Vengsarkar, rescued the tourists at the height of their troubles, putting on a strong 144 for the fourth wicket.

Azharuddin made his 130, which included 18 fours, in 272 minutes as he scored his ninth Test century, while Vengsarkar recorded the second highest Indian score with 47.

Eager to keep the match open, the Indians scored at a brisk rate even when they were in trouble.

Vengsarkar's dismissal, at 215, was followed quickly by the departure of Sachin Tendulkar, the teen-age sensation of the second Test, for just five.

Danny Morrison claimed both wickets in 11 balls and set New Zealand's best bowling record with a total of three wickets for 96. Vengsarkar, trying to 'hook', was caught behind while Tendulkar suffered the same fate, although he was attempting to force off the back foot.

After a brief lull in the scoring, momentum picked up again when Kapil Dev came in. Kapil Dev tried to cut loose but all-rounder Richard Hadlee quickly ended his offensive at 22 at the start of a new spell.

Earlier, New Zealand added four to their overnight total with all the runs scored by yesterday's hero, Ian Smith, who was leg-



Azharuddin: unbeaten on 130

before to Manoj Prabhakar on 173.

Yesterday, New Zealand won the toss and were put in on a green, damp pitch, collapsed to 85 for six against a devastating attack led by pace bowler Atul Wassan.

But they recovered so well that by the end of play on the first day they were powerfully placed at 387 for nine.

Young all-rounder Shane Thomson, playing in his first Test, helped Hadlee initiate the rally, the pair putting on 46 for the seventh wicket.

Then came two major stands in succession. Hadlee, who scored his runs off 108 balls, with 13 fives, and Smith added 103

runs from 23 overs.

Hadlee, driving with rare power, dominated the stand but Smith was by no means a passive partner and after Hadlee's departure, at 234, took the Indian bowling by storm with sturdy drives and hefty pulls.

Smith, whose previous Test century was also on this ground, against England six years ago, reached his 100 off a mere 95 balls with 16 fours.

He needed only another 23 balls to reach 150. In this period, he hit five fours and two sixes and plundered 24 runs in one over — ironically off Wassan himself.

Smith and Martin Snedden, splendid in a supporting role, put on 136, a new record for New

Zealand's ninth wicket against all comers.

Smith's was also the highest score by a New Zealand number nine and the best in first-class cricket.

Although badly mauled later on, Wassan took four of the first six wickets India claimed, including that on Martin Crowe, who was looking in prime form when Wassan had him caught behind for 24 with a late out-swinger.

Scoreboard

NEW ZEALAND first innings (over-night 387 for nine)

T. Franklin c Tendulkar b Wassan 4

J. Wright c Gurusaran Singh b Kapil Dev 3

A. Jones c Morris b Prabhakar 19

M. Crowe c Morris b Wassan 24

M. Greatbatch b Wassan 24

K. Rutherford c Prabhakar b Wassan 20

S. Thomson c Morris b Kapil Dev 22

R. Hadlee b Hirani 87

I. Smith lbw b Prabhakar 173

M. Snedden c Morris b Prabhakar 22

D. Morrison not out 0

Extras (lb-3, nb-4) 13

Total 391

Fall of wickets: 1-82, 2-93, 3-294, 4-515, 5-648, 6-711, 7-824, 8-937, 9-370.

Bowling: Kapil Dev 29.2-6-85-2, Prabhakar 29.2-3-123-3 (1nb), Wassan 16.4-1-108-4 (3nb), Hirani 17-1-66-1.

INDIA first innings

W. Raman c Franklin b Hadlee 8

M. Prabhakar lbw b Snedden 38

S. Manjrekar b Morrison 16

D. Vengsarkar c Smith b Morrison 47

M. Azharuddin not out 130

S. Tendulkar c Smith b Morrison 5

Gurusaran Singh c and b Thomson 18

Kapil Dev c Jones b Hadlee 22

K. Morris not out 8

Extras (b-1, lb-8, nb-18, w-1) 28

Total (for seven wickets) 316

To bat: A. Wassan, N. Hirani

Fall of wickets: 1-152, 2-63, 3-71, 4-215, 5-223, 6-223, 7-308.

Bowling (to date): Hadlee 23-9-70-2 (4nb), Morrison 18-1-96-3 (1nb), Snedden 21-4-73-1 (1nb), Thomson 13-3-68-1 (1nb, 1-wide).

Australia rout Pakistan

MELBOURNE, Feb. 23, (Reuters)—Dean Jones hit an inspired unbeaten 83 today to steer Australia to an easy victory over Pakistan in the first of the three World Series Cup cricket finals.

Australia overhauled Pakistan's moderate 162 all out off 47.5 overs with seven wickets standing and 4.1 overs to spare.

Allan Border struck a vital blow for Australia when he won the toss and asked Pakistan to bat on a seaming pitch.

The Pakistanis crashed to 50 for five in the 19th over and only a brilliant 86 from all-rounder Wasim Akram enabled them to post a reasonable score.

Akram smashed his runs from only 76 deliveries, hitting five fours and three sixes, despite the lingering effects of a groin strain.

Australia lost Mark Taylor (13), Tom Moody (4) and Steve Waugh (13) cheaply but Jones and Border extinguished Pakistan's hopes by adding 109 in only 87 minutes for the fourth wicket.

Jones hit only three fours plus one huge six but his fleet running between the wickets frustrated Imran Khan's efforts to put the brake on.

Border finished on 44 not out while Akram followed up his batting fireworks with two for 30 from 10 overs.

Scoreboard

PAKISTAN first innings

Saeed Anwar c and b Alderman 2

Rameez Raja c Healy b O'Donnell 1

Salim Malik c Alderman b Campbell 39

Javed Mianidat c Healy b Rackemann 2

Total 162

Fall of wickets: 1-137, 2-180, 3-203, 4-225.

Imran Khan c Healy b Rackemann 1

Ijaz Ahmed lbw b O'Donnell 7

Wasim Akram c P. Taylor b Campbell 86

Saleem Yousuf c Alderman b P. Taylor 4

Taufeeq Ahmed c P. Taylor b Campbell 10

Waqar Younis b Alderman 0

Nadeem Ghauri not out 3

Extras (lb-3, w-3, nb-1) 7

Total 162

Fall: 1-22, 2-8, 3-46, 4-50, 5-50, 6-77, 7-96, 8-153, 9-158.

Bowling: Alderman 8.5-2-26-2, O'Donnell 10-2-29-2 (1nb), Rackemann 10-5-32-2, Campbell 8-1-39-3 (2w), Taylor 10-0-33-1 (1w).

AUSTRALIA first innings

M. Taylor c Yousuf b Waqar 13

T. Moody c Yousuf b Akram 4

D. Jones not out 83

S. Waugh b Akram 13

A. Border not out 44

Extras (lb-3, w-1, nb-2) 6

Total (for three wickets) 45.5 overs

Fall of wickets: 1-92, 2-33-54

Did not bat: G. Campbell, I. Healy, T. Alderman, S. O'Donnell, C. Rackemann, P. Taylor.

Bowling: Wasim Akram 10-0-30-2 (2nb), Imran Khan 9-0-32-0, Waqar Younis 9-0-28-1, Nadeem Ghauri 9-0-27-0, Taufeeq Ahmed 8.5-0-45-0 (1w). Result: Australia won by seven wickets.

Second match: Sydney — Sunday, Feb. 25.

Third match (if required): Sydney — Tuesday, Feb. 27.



Dean Jones

Lawrence takes England to victory

MUTARE, Zimbabwe, Feb. 23, (Reuters)—Fast bowler David Lawrence ended stubborn late resistance to elch victory for England A over Young Zimbabwe by 138 runs on the third and final day of their cricket match yesterday.

The Zimbabwean last pair survived eight overs before Lawrence had McKay caught behind to end the innings for 143 with 16 deliveries left.

Set 282 to win in a minimum of 50 overs, Young Zimbabwe were never seriously in the hunt despite a dazzling 60 in 56 balls from Darryl Goodwin.

Left-arm spinner Andy Afford, who missed a straightforward chance at mid-on offered by Goodwin when he had made 40, helped to make up for his lapse by working through the middle order in a spell of three for 25.

England A earlier extended their second innings from the overnight 40 for one to 191 for three declared, with opener James Whitaker making 81 before retiring hurt with a strained back and Graham Thorpe hitting 69.

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- Who will win the Gulf Cup Tournament held in Kuwait 1990?

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England set for ordeal by speed in first Test

KINGSTON, Jamaica, Feb. 23, (Reuters)—The moment of truth has arrived for England's cricketers with West Indies captain Viv Richards ready to unleash his fast bowlers on a Sabina Park pitch expected to be of uneven bounce in the first Test starting tomorrow.

Although the pitch is unlikely to be as unpredictable as the surface on which England were dispatched for 159 and 152 when they lost the first Test here in 1986 by 10 wickets, the conditions should encourage West Indies' four-pronged pace attack.

Richards has been asking for "fair pitches with an even bounce that will prove beneficial to both bowlers and batsmen" in the five-Test series, but Sabina Park may not measure up to that ideal.

England experienced variable bounce in their drawn three-day match against Jamaica this week and all the evidence suggests the bounce will become increasingly uneven as the Test progresses.

The pitch is also expected to be as quick initially as on the first day of the Test here last year



Devon Malcolm

when India's batsmen were struck a succession of blows on the hands and body by the West Indian pacemen.

England are likely to play six specialist batsmen and only four regular bowlers, a defensively-minded play prompted by their determination to avoid a repetition of the start to the 1986 series when the defeat inside three days shattered confidence and precipitated the 5-0 series debacle.



Patrick Patterson

In their attempt to counter the threat of Malcolm Marshall, Ian Bishop, Patrick Patterson and Courtney Walsh, England are likely to include Nasser Hussain as an extra batsman ahead of the fast but sometimes erratic Devon Malcolm.

The Derbyshire fast bowler has shown himself both on this tour and in his only Test, against Australia at Trent Bridge last year, to be a hostile new ball bowler but one who has not per-

formed well when the shine has gone.

However, Malcolm is expected to be named in the 12 ahead of the out-of-form Phillip DeFreitas and fellow pace bowler Chris Lewis.

Guyana-born Lewis' lack of match practice since arriving as a replacement for the injured Richard Elcock seems to preclude his selection but he may well play a significant part in the rest of the series.

Hussain is far from ideally prepared for his Test debut, having scored only 90 runs in four innings on the tour against indifferent bowling on slowish pitches.

It is this lack of proper preparation, specifically batting on fast wickets against quick bowlers, which places England's batsmen at a disadvantage.

West Indies, who have won 14 of their last 15 Tests against England, are almost certain to recall Patterson, England's tormentor on his debut at Sabina Park four years ago.

He played the last of his 17 Tests in the 1988-89 series in Aus-

tralia but his 17 wickets in three Red Stripe Cup games for Jamaica in Kingston this season should ensure his selection ahead of Barbadian Ezra Moseley.

Twelve of the players involved in the match in which West Indies gained their first Test victory in England 40 years ago are to gather in Jamaica on Wednesday for an anniversary dinner.

The Jamaican Cricket Association is staging the event to mark West Indies victory by 326 runs at Lord's in 1950.

Seven members of West Indies team — Allan Rae, Everton Weekes, Clyde Walcott, Gerry Gomez, Prior Jones, Sonny Ramadhin and Alf Valentine — and five from England — Sir Leonard Hutton, Hubert Doggart, Gilbert Parkhouse, Godfrey Evans and Alec Bedser — are attending the dinner.

Spinners Ramadhin and Valentine, who shared 18 wickets in the Lord's triumph, will be specially honoured.



The Dutch team with the Cup. (Reuters wirephoto)

Bovelanders helps Dutch win World Hockey Cup

LAHORE, Pakistan, Feb 23, (Reuters): Floris Bovelanders was the Dutch hero, scoring twice from penalty corners, as they beat Pakistan 3-1 in the World Hockey Cup final today to lift their first major title since 1973.

He scored twice in the space of two minutes after Pakistan had sent the noisy, flag waving crowd wild by taking an early lead.

Shahbaz Ahmad, one of the tournament's outstanding players, jinked through and flicked the ball past Frank Liestra in the Dutch goal after only five minutes.

Fans broke down gates to swell the

National Hockey Stadium's 55,000 capacity to around 70,000—convinced they were going to see their side win the cup for the fourth time.

They clambered on top of hoardings and the roof of stands to watch the action.

But after the early elation of Shahbaz's goal, Bovelanders scored in the 12th and 14th minutes and Gys Weterings added the third early in the second half.

Although the Dutch won the European title in 1987, were third at the Seoul Olympics and held the Intercontinental Cup, this was their first major

title for 17 years.

Pakistan dominated the early stages, gaining the lead through Shahbaz's goal.

But a break while Dutch sweeper Rene Klaassen received medical attention gave the Netherlands a chance to regroup and they then began to take control.

The elusive Tom van't Hek gained the Netherlands their first penalty corner and Bovelanders lived up to his reputation, smacking his shot past the prone Pakistani goalkeeper's outstretched arms.

Two minutes later Hek won another

penalty corner and Bovelanders put the Dutch 2-1 ahead with a shot that ricocheted into the goal off the goalkeeper. It was Bovelanders' ninth goal of the tournament.

The Netherlands sealed the result shortly after the break when left winger Gys Weterings lashed home a fierce shot.

Pakistan were unlucky in the closing moments when Qazi Mohib struck the right post with a penalty shot, but by then it was clear the Dutch were going to walk away with the cup.

Earlier, defending champions Australia outplayed West Germany to win

2-1 and take third place in the tournament.

Surprise choice Jay Stacy scored for Australia from their first penalty corner, with a powerful flick in the eighth minute.

Left winger Neil Hawgood added to their lead in the 41st minute, while Carsten Fischer pulled one back for the Germans with a penalty corner drive in the 57th minute.

The Germans, with an eye to the future, fielded several youngsters, but brought on Stefan Blocher and Eckhardt Schmidt-Opper for the second half.

SPORTS BRIEFS

SAS bridge

RESULTS of SAS bridge game held on Tuesday:

- N/S
1. Mrs Donna & Dr Adel
2. Sherin & El Baz
3. Mrs Bianca & A Tawil
E/W
1. Gajjar & Banyot
2. Shah & Zubair
3. Lata & Reddy

Best mix-pair: Mrs Pereira & D'Souza.

Appeal lost

LONDON, Feb 23, (Reuters): John McEnroe has lost his appeal against fines imposed during the Australian Open and could be banned from playing other Grand Slam tournaments if he runs into further trouble this year, tennis officials said today.

Kuwait Trophy

AJAZ and Mansoor will lead the Kuwait team in the Kuwait Cricket Trophy on February 25, being played at the Qaid-e-Millat Airport ground on the occasion of the Kuwait National Day. The Kuwait Cricket Trophy is being organised by Morog Star cricketers and the organisers have named the two teams and also an arbiters' committee for the Man of the Match. The match will start at 9.00 am.

Panam Games

HAVANA, Feb 23, (Reuters): The chief organiser of the 1991 Pan American Games in Cuba said yesterday he hoped the US government would come to its senses and stop blocking planned television coverage of the event by the US network ABC. ABC has been refused permission to televise the August, 1991 Games because the network would have to pay a fee of about \$6.5 million to Cuba which would violate a US trade embargo against the communist-ruled island.

Taxes underpaid

CINCINNATI, Feb 23, (AP): The Internal Revenue Service has documented that Pete Rose underpaid his taxes by more than \$100,000 between 1983 and 1987, according to a report Wednesday in the Plain Dealer of Cleveland.

American sprinter

NEW YORK, Feb 23, (Reuters): Though best remembered for not keeping track of time, American sprinter Eddie Hart has decided it is time to get back on the track. At 40 years old, the former co-holder of the 100 metres world record will get his first crack at the world's elite in nearly 18 years when he competes at the US Indoor Athletics Championships in New York this evening.

NBA games

NEW YORK, Feb 23, (Reuters): Results of National Basketball Association games played yesterday:

New York	119	Washington	110
Milwaukee	109	Dallas	97
Utah	116	LA Clippers	97
Phoenix	104	Sacramento	102

Unified team

KUWAIT, Feb 23, (UPI): South and North Yemen will field a unified team for the time at the XI Asian Games in Beijing Sept 22-Oct 7. Sheikh Fahad Al-Sabah, president of the Olympic Council of Asia, received confirmation Wednesday, according to secretary-general Abdul Muteleb Ahmed.

Tyson's sister

NEW YORK, Feb 23, (UPI): Mike Tyson's 24-year-old sister was found dead Wednesday in her home and police said preliminary indications were that the overweight woman suffered a heart attack. Denise Anderson, 24, was found by her husband about 8.40 am in their Queens home, said officer Ralph St. Just.

WBC president

MEXICO CITY, Feb 23, (UPI): Jose Sulaiman, the embattled president of the World Boxing Council, Wednesday received unanimous support from his group's executive committee and will remain at the job he has held the last 15 years.

Hall of Fame

NEWPORT, Rhode Island, Feb 23, (UPI): Jan Kodes, the unassuming Czechoslovakian who won Wimbledon and the French Open, tomorrow will be named as the newest inductee to the International Tennis Hall of Fame. "I compare this to winning one of the Grand Slams," Kodes, 43, said in a telephone interview yesterday from Prague.

Linares chess

LINARES, Spain, Feb 23, (Reuters): Boris Gukko of the United States beat Yugoslavia's Ljubomir Ljubojevic yesterday in the Linares chess tournament, winning a fourth round game that had been adjourned on Wednesday. Gukko won in 78 moves.

Oman hold UAE 1-1

Bahrain, Qatar play to goalless draw

THE United Arab Emirates, contenders for the World Cup, were stunned by rank outsiders Oman in a 1-1 draw on Thursday in the 10th Arab Cup Gulf football tournament. The half-time score was 1-0 to Oman.

The Emiratis' Polish coach Bernard Blaut told a post-match press conference: "I have never seen my team play this kind of football before... we missed at least five open chances."

Blaut partly blamed an uneven pitch for the loss. He also said that he had to change the team at the last minute before the match. "One of the main strikers, Zuhair Bakhit, was unwell, therefore we had to shuffle the lineup," the ex-Polish international said.

But he still said: "I don't know and can't explain why our boys played such bad football." The Polish coach took over in January from Brazilian Mario Zagallo who was fired by the UAE Football Association.

The game was played at the Friendship and Peace Stadium.

Oman scored their goal in the 29th minute. Zuhair Salim took an indirect kick from 30 yards (metres). Hilal Hamoud headed the ball which hit the UAE

keeper Mohsin Musbah's knees.

The stocky goalkeeper, who played a prominent role in UAE's qualification through the second round of the World Cup, lost his balance and fell inside his own goal to give Oman the lead.

Oman kept a tight marking in the midfield, blocking the movement of the white-shirted UAE players.

As Oman's West German coach Bernd Patzke anticipated, the UAE came back with force in the second half, grabbing the initiative and scoring the equal-

iser in the 58th minute through substitute Fahad Khamis.

Khamis headed home a rebound from the crossbar.

"To take a point away from the team going to Italy for the World Cup finals is a great achievement for us," Patzke said.

The tournament, the 10th to be held by the Arab States of the Gulf region, is played by the UAE, Oman, Kuwait, Bahrain, Qatar and Iraq.

The kick-off match in the tournament which goes through March 9 was between Kuwait

and Bahrain on Feb 21, with the hosts defeating Bahrain 1-0.

Both Kuwait and Iraq, the current champions of the biennial event, are the favourites to win this contest.

Bahrain kept their hopes alive after managing a goalless draw against Qatar. This was the first match for Qatar.

Both teams played a slow game in the first half but improved in the second, particularly Qatar, who missed a number of easy scoring chances. Bahrain were saved on several occasions by their veteran excellent goalkeeper, Hmoud Sultan, 34. He stood solid in his goal and prevented several clear chances from Qatar's Mufah and Sufi.

The best chance for the match was missed by Qatar's Adel Khamies halfway through second half, when he got a neat pass and had only to bear Sultan. Khamies looped the ball over the advancing Sultan but the ball touched the upper edge of the bar and went for a goal kick.

In today's match to be played at 3.45 pm, Kuwait will be eagerly looking to add two more points at the cost of Oman.



An action shot of the Oman, UAE match.

Oldham, Everton draw

Villa move to the top

LONDON, Feb 23, (Reuters): Aston Villa beat Tottenham 2-0 on Wednesday to go clear at the top of the English soccer First Division for the first time since they won the League title in 1981.

Ian Ormrod and David Platt were the scorers as Villa virtually killed off Tottenham's hopes of League glory and went two points clear of Liverpool with one game still in hand.

Ormrodroyd blasted Villa ahead after 51 minutes, racing in unchallenged to slam his shot past keeper Erik Thorstvedt, while Platt claimed his 21st goal of the season in the 66th.

Villa's win stood out in stark contrast to the night's fifth round replays for the Football Association (FA) Cup, in which all four matches ended in draws after extra time.

Everton, runners-up last year, struggled to a 1-1 draw at home against Second Division Oldham—who have already effectively won a League Cup final place—after Ian Marshall put the visitors 1-0 ahead 12 minutes into extra time.

Playing with only 10 men after Northern Ireland international Norman Whiteside was sent off in the 48th minute, Everton were saved by Kevin Sheedy six minutes from time.

The second replay will be at Oldham on Feb 28 with the winners playing Villa in the quarterfinals.

Third Division Blackpool battled to a goalless draw at First Division Queens Park Rangers while Fourth Division Cambridge went ahead after 34 seconds of extra time against Third Division Bristol City, only to lose the lead three minutes later.

The night's all Second Division tie between Barnsley and Sheffield United finished goalless, and they will try again next Monday, with Barnsley having home advantage.

Aston Villa defender Kevin Gage is determined

to shake off a personal jinx and help his side to extend their English League lead when they entertain Wimbledon tomorrow.

Gage missed out on an FA Cup winners' medal in 1988 when he left Wimbledon for Villa and since then has never been on the winning side against his former club.

"We lost to them 1-0 three times last season and I was out injured when we won there 2-0 this season," Gage said.

"I know that Wimbledon love putting one over on the big clubs. People regard them as the paupers of the First Division and they will be relishing the chance of knocking us off our perch."

With second-placed Liverpool not playing this weekend, Aston Villa, have the chance to go five points clear.

"We may not be in the same class as Liverpool but we are effective in what we do and play to our strengths," said Gage.

But assistant manager John Ward warned that Villa, looking for their eighth successive League win, would have to fight to protect their lead.

Chelsea will face Manchester United without their captain Graham Roberts who has a groin injury but Scottish international striker Gordon Durie should be fit.

The visiting Manchester side will include Paul Ince who returned as a substitute in the FA Cup fifth round win against Newcastle last Sunday after missing two games because of a hamstring injury.

Southampton manager Chris Nicholl hopes to have winger Matthew Le Tissier, who missed last week's FA Cup defeat at Liverpool with a turned ankle, back in action for their visit to struggling Luton.

Becker sails past Mecir for semifinals

STUTTGART, West Germany, Feb 23, (Reuters): Wimbledon champion Boris Becker moved closer to a clash with Ivan Lendl, the man he is determined to displace as number one in world tennis, when he reached the semifinals of the Stuttgart Classic ATP event today.

The world number two, who last month pulled out of a West German Davis Cup tie to give himself more time to concentrate on his goal, powered his way past Czechoslovak Olympic champion Miloslav Mecir 6-4 6-2 in the quarterfinals of the \$1 million tournament.

Becker, perilously close to elimination from the event yesterday in a tough three-set encounter with Soviet Alexander Volkov, always looked in control against Mecir.

Becker is seeded to meet Czechoslovak Lendl in the final on Sunday. But the route will not be easy.

The West German faces an awkward semifinal on Saturday with in-form Swede Jonas Svensson who has beaten two of the top six seeds on his way to the last four.

Svensson, ranked 44th in the world, swept aside Austrian sixth seed Horst Skoff 6-2 6-4 in his quarter-final.

Becker, who last achieved a tour victory in the 1987 Belgian Open said: "Defending a lead which was nine strokes at one stage is tricky. I just concentrated on staying aggressive."

He added five more birdies to his tally, taking his tournament total to 11, plus one eagle. Darcy has dropped just one shot to date.

O'Malley, fresh from finishing seventh in the Australian Masters on Sunday, holed from 30 feet for one of his three birdies. A 300 yards drive set up an eagle at

Troubled rebel tour ends in controversy

JOHANNESBURG, Feb 23, (Reuters): Mike Gatting's troubled rebel cricket tour of South Africa ended today amid as much confusion and controversy as when it began five weeks ago.

It finished with Ali Bacher, the man who masterminded the boycott-breaking trip, being publicly castigated by his own cricket board for going too far in his attempts to appease the main opponents of the tour.

South African Cricket Union president Geoff Dakin issued a statement repudiating an agreement Bacher made with the National Sports Congress (NSC) that a second, longer tour by the rebels later this year would be called off.

"Dr Bacher conceded that he had no mandate from his board to cancel the tour and the SACU has accepted his regrets concerning the matter," Dakin said.

Although senior cricket sources privately said the second tour would certainly not take place, Dakin said a final decision would be made soon by the full SACU board.

However, the sources also said that in a perverse way the rebel tour may have acted as a catalyst to accelerate South Africa's readmission to official Test cricket after 20 years of isolation.

"It has made the opposing parties speak to each other and the fact that they did reach an accommodation whereby the protests were called off is very significant," one senior SACU official said.

Bacher, a former South African Test captain, has won the admiration of even those most bitterly opposed to the tour through his efforts to accommodate the protesters.

Several times he went with anti-tour leaders to gain permission from the local magistrates for them to demonstrate outside the grounds.

By doing so he angered right-wing whites but Bacher was unrepentant, saying: "We support the right of anyone to stage a peaceful protest."

Darcy increases lead

DUBAI, Feb 23, (Reuters):

Ireland's Eamonn Darcy doubled his overnight lead to six strokes after a 68 in yesterday's second round of the Desert Classic golf tournament.

He moved 12-under-par on 132, with Australian Peter O'Malley his closest challenger after a round of 70.

Darcy, who last achieved a tour victory in the 1987 Belgian Open said: "Defending a lead which was nine strokes at one stage is tricky. I just concentrated on staying aggressive."

He added five more birdies to his tally, taking his tournament total to 11, plus one eagle. Darcy has dropped just one shot to date.

O'Malley, fresh from finishing seventh in the Australian Masters on Sunday, holed from 30 feet for one of his three birdies. A 300 yards drive set up an eagle at

the 550 yards 13th.

Severiano Ballesteros, whose seven-birdie 69 left him on 141, said: "I hit a lot of shots I wouldn't normally hit—I still haven't found my competitive edge after a six weeks layoff."

Sweden's Mats Lanner joined the Spaniard with a best-of-the-day 66.

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Agassi defaulted the game to Sampras

PHILADELPHIA, Feb 23, (Reuters): Third seed Andre Agassi retired with food poisoning from his third round match against 13th-seeded fellow American Pete Sampras at the \$1 million US Pro Indoor Tennis Tournament yesterday.

The tournament has now lost its top three seeds. Top seed John McEnroe and second seed Brad Gilbert, both Americans, lost in their second round matches on Wednesday.

The sixth-ranked Agassi won the first set 7-5. Sampras had just taken the second set 7-5 when Agassi retired.

Agassi left the court midway through the second set and although he returned to finish the set, he looked sickly.

Agassi apparently ate spaghetti with tomato sauce at a restaurant in Philadelphia. He then ate a banana at the Spectrum Stadium while waiting for his match to start.

The 32nd-ranked Sampras will go on to the quarter-finals to meet fifth seed Tim Mayotte who won a tense three-set tiebreak from fellow American Glenn Layendecker to advance.

The other quarterfinals have fourth seed Jay Berger of the United States meeting unseeded Petr Korda of Czechoslovakia, seventh seed Andre Gomez of Ecuador playing unseeded Dutchman Paul Haarhuis, and eighth seed Jim Courier of the United States paired against unseeded Australian Mark Kratzmann.

The eighth-ranked Mayotte, who has gone three sets in both of his matches here, finally won the tiebreak 7-4 to prevail 4-6 6-3 7-6.

"I'm playing too close to the edge," Mayotte said. "I've been winning a lot of matches lately and playing with confidence. But the last two matches I just didn't get to the sticking point."

Courier was thrilled with his 6-3 5-7 6-4 third round victory over

10th-seeded South African Christo van Rensburg yesterday.

"This win puts me into the top 20 for the first time," the 19-year-old Courier said. "That's something I wanted very badly."

In other third-round play, Berger ousted 14th seed Wally Masur of Australia 6-2 6-4. Gomez ousted ninth-seeded American Kevin Curren 6-7 6-3 6-4 and Kratzmann stopped Richey Reneberg of the United States 6-4 6-4.

The 51st-ranked Reneberg upset McEnroe in the second round on Wednesday.

Mayotte seems to own this tournament. He's been in the finals here the past four years and won the event in 1987 and 1988.

"It's so psychological that you play well in one city all the time," said the 29-year-old Mayotte.

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Navratilova hits a forehand during her 6-0 6-0 victory over Ann Grossman on Wednesday. (Reuters wirephoto)

WASHINGTON, Feb 23, (Reuters): After waiting four days to play her first match, second-seeded American Zina Garrison needed just 49 minutes to cruise into the quarterfinals of the \$350,000 Washington Tennis Tournament yesterday.

Garrison, ranked fourth in the world, went on streaks of seven and nine consecutive points in the first set and controlled virtually every point in her 6-0 6-1 rout of 69th-ranked Australian Elizabeth Smylie.

Garrison, who along with the other top seeds received first round byes in the 28-player event, used her superior foot speed to cover Smylie's angled volleys and frustrated the Australian with powerful groundstrokes.

Eighth seed Nathalie Tauziat of France eliminated Italian Linda Ferrando 6-2 6-4 in a match contested almost entirely from the baseline.

Kilde-Kilsch 6-3 6-3 in other second round matches.

Top seed Martina Navratilova and fourth seed Natalia Zvereva of the Soviet Union reached the quarterfinals with second round wins on Wednesday, while third seed Monica Seles of Yugoslavia received a walkover in her first match to reach the quarters without hitting a ball.

Garrison said that having to wait until yesterday to play her match made her anxious.

"I just wanted to play. I've been practicing two or three times a day and waiting for the schedule to come out to see if I played," she said. "It's strange because there aren't many tournaments where you only have to play three rounds to get to the final."

Navratilova hits a forehand during her 6-0 6-0 victory over Ann Grossman on Wednesday. (Reuters wirephoto)

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